

# **SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2003**

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## **HEARING**

BEFORE THE

## **COMMITTEE ON APPROPRIATIONS**

## **UNITED STATES SENATE**

ONE HUNDRED EIGHTH CONGRESS

FIRST SESSION

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### **SPECIAL HEARING**

MARCH 27, 2003—WASHINGTON, DC

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Printed for the use of the Committee on Appropriations



Available via the World Wide Web: <http://www.access.gpo.gov/congress/senate>

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U.S. GOVERNMENT PRINTING OFFICE

87-629 PDF

WASHINGTON : 2003

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## **SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2003**

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**THURSDAY, MARCH 27, 2003**

U.S. SENATE,  
COMMITTEE ON APPROPRIATIONS,  
*Washington, DC.*

The committee met at 10 a.m., in room SD-106, Dirksen Senate Office Building, Hon. Ted Stevens (chairman) presiding.

Present: Senators Stevens, Cochran, Specter, Domenici, Bond, Burns, Shelby, Gregg, Bennett, Campbell, Hutchison, DeWine, Brownback, Byrd, Inouye, Hollings, Leahy, Harkin, Mikulski, Reid, Kohl, Murray, Dorgan, Feinstein, Durbin, Johnson, and Landrieu.

### **DEPARTMENT OF HOMELAND SECURITY**

#### **STATEMENT OF HON. TOM RIDGE, SECRETARY**

##### **OPENING STATEMENT OF CHAIRMAN TED STEVENS**

Chairman STEVENS. Please rise. Let us have a moment of silent prayer for those who have given the supreme sacrifice or who have been injured in this war.

Thank you all very much.

Mr. Secretary, we are delighted to see you here. These are very difficult days for all of us to schedule. I do hope that my colleagues will agree with me that we will just waive opening statements and listen to your statement, which we will place in the record in full. We hope you will shorten it as much as possible.

Any member who wants to submit an opening statement can do so, and they will be placed in the record at this point.

[The statements follow:]

##### **PREPARED STATEMENT OF SENATOR ROBERT C. BYRD**

Mr. Chairman, thank you for calling this hearing. This is an important funding request, and Congress has a responsibility to thoroughly examine it and understand it. It is our job, as elected representatives of the people, to ensure that this spending request meets the needs of our troops overseas and our citizens here at home. Equally important, we must make sure that this request does not commit the nation to going beyond the current mission in Iraq, and that it does not open the door to any unwise policy decisions taken in the name of expediency.

I have said many times that I am committed to giving our troops in Iraq the resources they need to ensure their safety and to win this war. I am also committed to investing needed dollars in homeland security measures to protect Americans here at home. This Administration seems to be fixated on the military side of the equation at the expense of the domestic side. I believe both are important, and both deserve adequate funding.

Secretary Rumsfeld, I noted a comment you made at a Pentagon press briefing the other day (March 25). In discussing the supplemental request, you said, "the

budget figure the president announced up there is not the cost of the war." You went on to say that the supplemental covers funding needed by various agencies, including the Defense Department, from the beginning of this fiscal year to where we are today and hopefully through the rest of the year.

That is a very important point to make. The impression has been left that this supplemental will cover the cost of the war. It will not. It is merely a down payment on the cost of the war. Whether the "major conflict" phase of the war lasts weeks or months, the true costs of the war, including the long term impact on the military and the reconstruction and occupation of Iraq, will continue to accrue far beyond the end of this fiscal year. The Administration has an obligation to be honest and forthcoming with the American people about the costs of this war, both in terms of the sacrifices that will be demanded of our men and women in uniform and the financial obligations that will be imposed on the American taxpayers far into the future.

I am also extremely concerned about the massive shift in appropriations authority from the legislative to the executive branch that is being proposed in this supplemental under the guise of flexibility. Congress has the constitutional authority to appropriate funds and the solemn responsibility to exercise that authority wisely. Handing a check to the Secretary of Defense or Homeland Security or the Attorney General without specifying how it is to be spent is not a responsible exercise of the Congressional power of the purse. Stop-gap spending bills are not the appropriate vehicle for setting long term domestic, foreign, or defense policy.

That said, I welcome you, Secretary Rumsfeld and Secretary Ridge, and I look forward to hearing your thoughts on the supplemental funding request before us today.

---

PREPARED STATEMENT OF SENATOR DANIEL K. INOUE

Mr. Chairman, I want to thank you for calling this hearing today to discuss the supplemental for the on going war on terrorism, including the costs of the war in Iraq.

The administration is requesting an expedited consideration of this measure to ensure that the Defense Department has the funding necessary to continue to prosecute the war on terrorism.

I support the desire to get the funding to the military services. I am sure there is a universal desire in the Congress to support our military forces.

However, it is the responsibility of the Congress to oversee Federal spending. It is challenging to do that when the administration only submits its request one week before the committee must mark up the bill in order to complete action prior to Easter.

I am grateful that the administration has agreed to send Secretaries Ridge and Rumsfeld to testify today in order that they can explain, and justify the funding that the administration seeks.

I know all my colleagues will do their part to complete action on this bill before the recess, but I must note that the unwillingness of the administration to submit this measure or discuss its plans in advance of submitting the bill makes it extremely challenging for the Congress to exercise its proper role under the Constitution.

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PREPARED STATEMENT OF SENATOR MARY L. LANDRIEU

Mr. Chairman: Allow me to open my remarks with a quotation:

"I need not tell you, gentlemen, that the world situation is very serious. That must be apparent to all intelligent people. I think one difficulty is that the problem is one of such enormous complexity that the very mass of facts presented to the public by the press and radio make it exceedingly difficult for the man in the street to reach a clear appraisal of the situation. Furthermore, the people of this country are distant from the troubled areas of the earth and it is hard from them to comprehend the plight and consequent reactions of the long-suffering peoples, and the effect of those reactions on their governments in connection with our efforts to promote peace in the world."

That statement might have come from any policy maker in this country, since we began the war against terrorism and campaign in Iraq. However, it did not. It is the opening paragraph of George C. Marshall's speech at Harvard University where he announced the Marshall Plan.

I think this quote is important for two reasons. First of all, the supplemental appropriations request from the President begins the process of reconstruction in Iraq. So, the context is similar. Secondly, the enterprise that we are about to undertake—



the rebuilding of Iraq—will require a similar fortitude and vision on the part of the American people, and this Congress. It is not clear to me that we have fully realized that yet. Therefore, it is important that we bear in mind the wisdom of America's greatest foreign policy success, as we work to create a new vision for the Middle East.

Mr. President, I have essentially three issues regarding this supplemental request. Its sufficiency, its oversight, and its objectives.

Starting with sufficiency, let me again reference the Marshall Plan. As you all know, the Marshall plan occurred after occupation—it was offered in 1947. It occurred after the fundamental infrastructure was reestablished. That is what made it such a marvel. It was not a plan to keep the Europeans afloat; they might have done this on their own. It was a plan to help Europe flourish again. In a four-year period, we spent \$13.3 billion on the Marshall Plan. In today's dollars that constitutes \$107 billion. Again, that was not the cost of the war, that was not the cost of the occupation—the Marshall Plan was something quite different. However, the vision of the Marshall plan is what this administration keeps alluding to in public. We will rebuild Iraq's schools, their health care system. We will return Iraq to the standard of living they enjoyed 20 years ago when they had one of the most developed economies in the Middle East. It is a noble ambition, and one worthy of America's best efforts. However, it is unclear to me whether the public will and the political will have been properly readied for the price tag. The Office of Management and Budget have announced that this supplemental should last for six months—it has a \$74 billion price tag, and includes very little by way of reconstruction for Iraq outside of immediate relief supplies.

More startling, while OMB suggests this should cover six months of effort. Sources within the departments are suggesting that this will only take them through the next 30–45 days. This makes me wonder if we are being forthright about the expense of this war. It also makes me wonder how much of the forthcoming effort to rebuild Iraq should be built into the regular budget process. During the budget debate, we created a \$100 billion reserve fund to cover the costs of the war. However, it is clear that such a contingency fund will be nowhere near adequate given that we will spend three-fourths of that in the next six months under OMB's best guess, and in the next 30 days according to some sources within the departments.

It is a very large mistake to assume that you can just hide the costs of this war from the American public. Whenever the subject has arisen, the White House and members of the Administration have downplayed the cost. Deputy Secretary Wolfowitz told the House Budget Committee that the war costs would range from “\$10 to \$100 billion.” Yet when former Economic Adviser Lawrence Lindsey suggested that the war would cost between \$100 billion and \$200 billion, he was roundly criticized by the White House. Not surprisingly, Mr. Lindsey—the economist—seems a bit more prescient than Mr. Wolfowitz.

However, as someone who has supported the use of force, and will support the President's request for supplementary appropriations, I suggest we lay out a strategy that sets realistic expectations. What we need is leadership. The American public must understand and brace themselves for the costs of this war. It is incumbent on this President to outline those costs. It is an undertaking that Harry Truman accepted when creating the Marshall Plan. It is an undertaking we expect President Bush to accept. He must use his bully pulpit to explain why we must expend so many scarce resources to rebuild Iraq. If not, political support for reconstruction will vanish. That will be a mistake, and a setback for our war to eliminate the threat of terrorism from our shores. The President should act to head it off immediately.

The second question I have is regarding the President's request is its oversight. This Committee is fortunate to have the Senate's foremost expert in the Constitution as its ranking member. He also happens to be the foremost defender of the Congress' prerogatives and power within that Constitution. He could cite the Constitution's authority to this Committee, chapter and verse by mere memory. He often reminds us of the important role that the Founders set out for the Senate and this committee. Yet, given the President's request, I think it bears repeating.

Article I, Section 9, Clause Seven States:

“No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law; and a regular Statement and Account of Receipts and Expenditures of all public Money shall be made from time to time.”

We have a Constitutional duty to provide for the appropriations required by the nation. The People of Louisiana did not send me to the Senate abrogate that power in favor of the President. In fact, one of the reasons that they returned me to the Senate was to look after their interests through this committee, and protecting them

from adverse decisions made by the Executive branch that frequently overlooks important state interests.

Finally, let me address some of the objectives in the supplemental. Let us begin with the proposition that our troops, and the State Department should have all the money they need to bring this war to a successful conclusion. I will certainly support these aspects of the request. We also need to do everything we can to protect American's at home. So, if anything, the funding request for the Department of Homeland Security should be expanded. But in between those items, there are some issues of concern.

Why, for instance, in the middle of a War with Iraq, a crisis in North Korea, the threat of a nuclear armed Iran, and troop deployments in the Philippines are we spending \$64 million to heighten our involvement in Columbia? I have supported our counter drug activities in Columbia in the past. Yet, there are limits to American power and the American purse. It seems extremely unwise to escalate our involvement in other conflicts at this time, and the President's submission offers little justification on this point.

Secondly, it is very odd that we would consider a billion dollars in grants to Turkey. What kind of precedent does this set? Why should a parliament that voted to obstruct vital U.S. war plans still receive aid? Why are we not recognizing those states who have chosen to assist our effort. Could we not spend a billion dollars helping Poland? What about Romania and Bulgaria?

Finally, there are a number of items not included in the supplemental which ought to be. First, of course, are additional resources for first responders. While the supplemental asks for \$2 billion in ODP grants, this correlates almost precisely to the amount we had to cut from first responders in fiscal year 2003 conference. We already know from the National Governor's Association that the needs are nearly triple that amount. So in effect, we are undoing a wrong, not making things right. Secondly, while there was a specific provision for the increase in fuel costs for the military, there was no corollary for the Coast Guard. This is an ongoing problem. The Coast Guard is consuming fuel at alarming rates with the heightened security. Without additional funding in this area, they will hazard their responsibilities for search and rescue, as well as safe navigation. Lastly, as ranking member of the D.C. Appropriations Subcommittee, I think it is concerning that there are no funds for the District even though multiple law enforcement agencies have identified the District as the number one target in the nation.

Mr. Chairman, I look forward to working with you as we move through this process. As always, I appreciate your willingness to work through my concerns. I think, together, this committee can craft a supplemental bill that will have broad bipartisan support.

Chairman STEVENS. We are going to limit members for the round—the first round to 5 minutes. And I hope you can keep your answers as succinct as possible.

For the information of members, the Secretary of Defense is scheduled to be here about 10:50 and—at 10:50, and we will shift to his testimony. I have spoken to Secretary Ridge, and if we have additional questions for Secretary Ridge or his assistants, we will have to schedule another meeting next week probably. It would be next Tuesday probably. But we know we cannot fit them both in for a full time this morning, and it would be my intention to ask each Department to send back witnesses to answer technical questions about the supplemental and its use in terms of money.

So I would urge that members keep their questions here to the policies—the matters that are involved in the request before us. We have two—one request in terms of the supplemental, but there is an amount for the Homeland Security Department, and that is the one that is before us now.

Unless there is another objection to my request to you, I would ask the Secretary to present his statement.

STATEMENT OF SECRETARY TOM RIDGE

Secretary RIDGE. Thank you, Mr. Chairman.

Good morning, Senator Stevens, Senator Byrd, distinguished members of the Committee. I am certainly privileged to be with you today to discuss the President's wartime supplemental budget request for the Department of Homeland Security.

As I begin, along with you, I want to take a moment to acknowledge the men and women of our Armed Forces, who are bravely serving our Nation in defense of our freedom and our values. Their efforts on behalf of this Nation are truly noteworthy.

In particular, I want to recognize the sacrifices that each of these men and women are making and thank their families on behalf of a grateful Nation for their service. As all of us know, it is not just the men and women who wear the uniform but, unfortunately, their spouses, their children, and the mothers and fathers who seem to put on and wear that uniform.

Senator Johnson, you probably know it better than anybody else in this chamber right now. I appreciate that.

As we are already seeing, freedom comes at a price; for some, the ultimate price has been paid as they have laid down their lives in service to our country.

I would also like to pause to reflect on the men and women who are providing security to our homeland. We build on our effort overseas with dedicated individuals at home who have accepted the call to safeguard our homeland, from first responders to those who secure our borders, and our ports, our waterways, and our critical infrastructure. Their efforts are also critical and crucial to preserving our way of life.

Collectively, our Armed Forces and our men and women securing the homeland exemplify the best of our national spirit and determination to defend our liberties at home and abroad. It is with gratitude for their sacrifice and for their service that we request this supplemental budget to the Congress to help support their efforts in this war on terrorism.

#### WARTIME SUPPLEMENTAL REQUEST

As America executes Operation Iraqi Freedom, the Department of Homeland Security requests an increase of \$3.5 billion to support Operation Liberty Shield and other measures to enhance our security at home. The resources provided through this supplemental budget request will allow the Department to assist our partners at the State and local level, to prepare our Nation's first responders, and to protect our Nation from the threat of terrorism.

#### OFFICE FOR DOMESTIC PREPAREDNESS

Specifically, the Department seeks \$2 billion for State and local terrorism preparedness and prevention. These resources will support further enhancements to State and local terrorism preparedness efforts, including federally coordinated prevention and security enhancements. This request will help support our State and local first responders. As part of Operation Liberty Shield, the funding will also improve protection at critical infrastructure facilities and help secure high threat urban areas.

The supplemental budget request builds upon ongoing efforts of the Office for Domestic Preparedness which made available nearly \$600 million to States earlier this month. It also enables States

and localities to meet emerging and short-term homeland security needs.

Funding is requested for three activities. One and a half billion dollars of the supplemental request will go towards enhancing the capacity of State and local jurisdictions to prepare for incidents of terrorism on U.S. soil. Grant funds for State and local terrorism and preparedness activities may be used for acquisition of equipment, training exercises, and planning.

Consistent with past practices, at least 80 percent of the total amount will be passed through to local governments for first responders in the various cities around the country. To the extent practicable, State and local spending plans should be consistent with the most recent State preparedness strategy.

Four hundred fifty million dollars is requested for States to augment security at critical infrastructure facilities during the duration of Operation Liberty Shield. Grants will be allocated to States by formula, but no less than one-third of each grant must be allocated to local jurisdictions.

Fifty million dollars is requested to enable the Secretary of Homeland Security to support additional protection or preparedness needs of selected urban areas facing a particularly high threat.

#### COUNTERTERRORISM FUND

The supplemental also includes \$1.5 billion for the Department of Homeland Security for the costs of providing support to prevent, counter, investigate, and respond to unexpected threats or acts of terrorism during this period of heightened threat.

This funding is intended to support increased operations tempo in the Border and Transportation Security directorate, including additional screening of visitors crossing the border; more secondary inspections of visitors at ports of entry and immigrants; increased inspection of high-risk goods and cargo at ports of entry; additional flight hours for aerospace security; and increased security between ports of entry on the northern border; pre-deployment of Federal emergency response assets in preparation for potential terrorist attacks; enhanced Coast Guard protection of critical U.S. ports during the duration of the conflict. Funding will also support Coast Guard forces already deployed or in the process of being deployed to the operational theater and the protection of the military outloads in U.S. ports.

#### CONCLUSION

In summary, the supplemental budget request for the Department of Homeland Security supports the Administration's objectives to support our troops abroad and increase our safety at home. The supplemental budget will provide the Department with the resources to manage its responsibilities and continue its work of securing the homeland for the American people.

## PREPARED STATEMENT

Mr. Chairman, Senator Byrd, and members of the committee, this concludes my prepared statement. I would be, obviously, pleased to answer any questions you may have at this time.

Chairman STEVENS. Thank you very much, Mr. Secretary.  
[The statement follows:]

## PREPARED STATEMENT OF SECRETARY TOM RIDGE

## INTRODUCTION

Good morning. Chairman Stevens, Senator Byrd, and distinguished members of the Committee—I am pleased to be with you today to discuss the President's wartime Supplemental Budget Request for the Department of Homeland Security for fiscal year 2003.

As I begin, I want to take a moment to acknowledge the men and women of our armed forces who are bravely serving our nation in defense of our freedoms and values. Their efforts on behalf of this Nation are truly noteworthy. In particular, I want to recognize the sacrifices that each of these men and women are making and thank their families on behalf of a grateful nation for their service. As we have already seen, freedom comes at a price and for some, the ultimate price has been paid as they laid down their lives in service to our country. They sacrificed the freedoms and liberties we as Americans know and cherish to secure and extend those freedoms to the Iraqi people.

I also want to pause to reflect on the men and women who are providing security to our homeland. Our effort abroad would be incomplete without dedicated individuals at home who have accepted the call to safeguard our homeland—from First Responders to those who secure our borders, ports, waterways, and critical infrastructure—their efforts are crucial to preserving our way of life.

Collectively, our armed forces and our men and women securing the homeland exemplify the best of our National spirit and determination to defend liberty at home and abroad. It is with a great sense of pride in these men and women, and unwavering support for their efforts that the Administration is submitting this supplemental budget request to the Congress for action.

## WARTIME SUPPLEMENTAL BUDGET REQUEST FOR FISCAL YEAR 2003

As we execute Operation Iraqi Freedom overseas, and continue prosecuting the war on terrorism, the Department of Homeland Security requires an increase of \$3.5 billion to manage requirements, to support the overall war effort, and to enhance our homeland defense. The Department has unique and complementary roles to those of our armed forces—to prevent terrorist attacks within the United States, to reduce America's vulnerability to terrorism, and to minimize the damage and assist in recovery should a terrorist attack occur. The resources requested through this wartime supplemental budget request will allow the Department to continue efforts to prepare our first responder community and to protect our Nation from the threat of terrorism.

## OFFICE FOR DOMESTIC PREPAREDNESS

Within the overall supplemental budget request, the Department seeks \$2.0 billion for state and local terrorism preparedness and prevention. These resources will support further enhancements to state and local terrorism preparedness efforts, including Federally-coordinated prevention and security enhancements. Through the Office for Domestic Preparedness, the Department will enhance and continue to strengthen America's First Responder community and make our homeland safer from emerging threats. This request will help state and local First Responders with new equipment, training, and better emergency planning. As part of Operation Liberty Shield, the funding will also improve protection at critical infrastructure facilities and secure high-threat urban areas.

The supplemental budget request builds on ongoing efforts of the Office for Domestic Preparedness, while also enabling states and localities to meet emerging and short-term homeland security needs. Funding is requested for three activities:

—*First Responder Preparedness.*—\$1.5 billion of the supplemental request is to enhance the capacity of state and local jurisdictions to prepare for incidents of terrorism on U.S. soil. These funds will be allocated by formula to states, which are best-suited to coordinate regional and local terrorism preparedness and pre-

vention efforts. Grant funds for state and local terrorism and preparedness activities may be used for the acquisition of equipment, training, exercises, and planning. Consistent with past practices, at least 80 percent of the total amount will be passed through to local governments for First Responders. To the extent practicable, state and local spending plans should be consistent with the most recent state preparedness strategy.

—*Heightened Critical Infrastructure Protection.*—\$450 million is requested for states to augment security at critical infrastructure facilities during the period of hostilities with Iraq. These hostilities create new homeland security requirements for states and localities, particularly an immediate need for adequate protection of critical infrastructure facilities. Grants will be allocated to states by formula, but no less than one-third of each grant must be allocated to local jurisdictions.

—*High-Threat Urban Areas.*—\$50 million is requested to enable the Secretary of Homeland Security to support additional protection or preparedness needs of selected urban areas facing a particularly high threat. The Department will work closely with governors and mayors in developing site protection plans so that funds may be released rapidly to meet identified needs.

The request for the Office for Domestic Preparedness is intended to help states and localities address security and response needs prompted by current events. As such, these funds are only requested for availability through December 31, 2003. Grant funding will not be subject to this limitation once awarded, but we will encourage grantees to use these funds promptly.

#### COUNTERTERRORISM FUND

The supplemental budget request also includes \$1.5 billion for the Department of Homeland Security for the costs of providing support to prevent, counter, investigate and respond to unexpected threats or acts of terrorism—in particular, during this period of heightened threat awareness resulting from the conflict with Iraq.

This funding is intended to support:

—Coast Guard forces already deployed or in the process of being deployed to the operational theater; protection of the military outload in U.S. ports; and protection of economically-critical U.S. ports from terrorism during the duration of the conflict. The funding will support the activation of over 6,000 reservists. Approximately \$580 million is required for these efforts. This estimated is based on current assumptions about the war and maintenance of security levels.

—Increased operations tempo in the Border and Transportation Security Directorate, including additional screening of visitors crossing the border, more secondary inspection of immigrants and visitors at ports-of-entry, increased inspection of high-risk goods and cargo at ports-of-entry, additional flight hours for airspace security, and increased security between ports-of-entry on the northern border.

—Pre-deployment of federal emergency response assets in preparation for potential terrorist attacks, and activation of government emergency response plans and activities as well as other urgent homeland security requirements based on threats that may emerge.

The Administration requests flexibility in the appropriation of these funds to enable us to respond quickly and deploy our assets in different configurations, strength levels, and tempo of operations as circumstances may require as we face this new challenge to our homeland security.

#### CONCLUSION

The Department of Homeland Security plays a crucial role in protecting our homeland and we continue our efforts to protect our Nation from terrorism. While much has been accomplished, we can do more—especially at this critical time of war. We must stay focused and engaged in our effort to secure the homeland and meet the challenges that we face at this time in our Nation's history.

In summation, the supplemental budget request for the Department of Homeland Security supports the Administration's objectives to support our troops abroad and increase safety at home. This nation is mobilizing for action at every level—Federal, state and local governments, the private sector, and the American people—to protect our homeland. This supplemental budget will provide the Department the resources to manage its responsibilities and continue its work of securing the homeland for the American people.

Mr. Chairman and Members of the Committee, this concludes my prepared statement. I would be happy to answer any questions you may have at this time.

Chairman STEVENS. I am going to not ask any questions at this time. I have some technical questions for later. I do hope we can—we will recognize members on both sides of the aisle in the order of seniority today, because there are some subcommittees meeting and they will be coming and going. We will recognize you if you are here at the time your time would occur.

Senator Byrd.

#### FIRST RESPONDER FUNDING

Senator BYRD. Thank you, Mr. Chairman.

And thank you, Mr. Secretary. Thank you for coming. We have looked forward to your being here a long time, too long.

Secretary RIDGE. I remember several conversations about that over the past several months, Senator.

Senator BYRD. Too long. Too long. But thanks for being here today.

As good-naturedly as I possibly can, I want to say that—I want to cooperate with the chairman in getting this legislation passed if at all possible by April 11. But I chafe under these restrictions. I think you have an exceedingly important bill. We ought to be allowed to make opening statements, as the witnesses are allowed to make opening statements.

And we ought certainly to have more than just a shirttail full of questions, time to answer questions here on this important matter. So I am going to register my concerns right at the top.

I think we have a full attendance of the committee here this morning almost. And yet our members are going to be severely limited. I say this with all due respect to my chairman. His purpose is good, and I respect him for that. But I have to say that I do not think it is in the people's interest of this country to rush this bill as it is being rushed here this morning.

Now, having said that, let me ask you, Mr. Secretary, one or two questions. One of the biggest disagreements in the homeland security debate is between mayors and Governors, as both think that they are the more appropriate receivers and administrators of Federal homeland security resources. The Administration has, for the most part, sided with the Governors. You were—you are a former Governor yourself.

Evidence does not show that States are the best administrators of the funds, however. For example, \$330 million out of the \$500 million allocated to the States from the Office for Domestic Preparedness from 1999 to 2002 is unspent. States are actually spending less on emergency management this year as compared with last year. According to the National Emergency Management Association, States are spending \$10.55 per capita on emergency management this year versus \$11 per capita in 2002.

Conversely, according to the U.S. Conference of Mayors, cities are spending an additional \$1 million per week on their personnel costs, police, firefighters, and so on, associated with emergency management alone.

Question—your Administration requests an additional \$2 billion for the Office for Domestic Preparedness (ODP). These funds are distributed by the Office for Domestic Preparedness to the States. Our first responders reside at the local level, and I am concerned

that they are not getting the resources they need and were promised by the Administration.

The Capitol Hill paper, *The Hill*, reported yesterday that of the \$500 million, as I have already indicated, \$330 million is unspent. Similarly of the \$1 billion that Congress approved 14 months ago for grants to States to increase the ability of State and local public health departments to prepare for bioterrorism, only 19 percent has been spent.

My question to you is, if it is taking so long for States to get the money to our cities and our first responders, why does the Administration request that ODP funds go to the States and not directly to the local jurisdictions?

Secretary RIDGE. Senator, it is our belief that we should use the Governors and their State emergency management teams to develop statewide plans to deal with issues of terrorism preparedness, of vulnerability assessment and the like. We are prepared to assist the Governors in that effort, because as you have indicated, some of the dollars that Congress appropriated in previous years have yet to be drawn down, or been drawn down.

Having said that, we also recognize that when there is a problem at the local level, they do not dial the State capital. Too often—and they certainly do not dial area code 202. They dial the local first responders. And that is the reason that we look to send 80 percent of the dollars through the States down to the local communities in support of their statewide plan.

We agree with you, Senator. We have been working with the League of Cities, the mayors, the National Governors Association trying to get them to buy into the notion that we build statewide plans from the local level up. We will use the States to distribute the dollars, but that 80 percent of those dollars would be distributed directly to the local communities based upon a plan. We are interested in both inputs in terms of dollars, but also outcomes as to where they are spent.

#### EXPEDITING FIRST RESPONDER FUNDING

Senator BYRD. Well, experience is showing, and the record shows, that the monies are not getting to the local responders through the State channels. And if it is true that State review of local plans is tying up these critical funds, then your Department should be proposing ways to expedite that process. Are you doing that?

Secretary RIDGE. Senator, it is a very important observation you have made. It does appear that some of the States have delayed their application because of their inability, not their unwillingness, but their inability to put together their statewide plans. ODP and the Department of Homeland Security are certainly prepared to work with any State to accelerate the development of the plan so we can distribute the dollars.

You should know, Senator, that the first responder money that is transmitted through the fire grant program, however, goes out directly to the individual fire departments.

Senator BYRD. Do I have more time? What is—is my time up?

Chairman STEVENS. Yes, sir.

Senator BYRD. It is. Okay. Thank you, Mr. Chairman.



Chairman STEVENS. I am going to exercise the prerogative of the chair. Having served 8 years as whip, I can testify no one has less time to attend committee hearings than the whips on either side, so I will recognize the distinguished Senator from Nevada.

#### DELAYS IN REQUESTING FUNDS

Senator REID. Thank you very much, Mr. Chairman.

Governor Ridge, my question has been for some time—and you answered it partially for Senator Byrd. We have heard now for months about the money being there but not being drawn down. Explain again why it is not being drawn down, because my State is desperate for monies. And if you want to be specific about Nevada, why are they not asking for the money that they are entitled to according to you?

Secretary RIDGE. Senator, it is a question that we are probing for an appropriate answer, because if there is an antidote, if there is a reason that we need to be more involved with the States and the State emergency management officials and these organizations responsible for putting together a statewide plan, we accept that responsibility to do that.

Your point is well taken. Senator Byrd pointed out that some of the dollars that we—that Congress appropriated in previous years for the Office for Domestic Preparedness have not been drawn down. Some have, but not all have. And we need to expedite the process to get those dollars out the door.

On March 7th, we put our applications for the \$600 million that Congress appropriated to the States in the 2003 budget. And because it is formula-driven, the dollars go out as soon as we get the request for reimbursement in.

Now, admittedly, they have only been up for 3 weeks, but we have yet to receive a request from the individual States. So given the fact that only 3 weeks have elapsed and we have not had a request is not news yet, but we are trying to work with the States and through the National Guard Association (NGA) to get them to accelerate their request for these dollars, because 80 percent of them are going to go back down to the local level.

#### DELAYS IN GETTING FUNDING OUT

Senator REID. But you understand our concern. We hear from State and local governments in our States, they are desperate for money, they cannot get Washington to react. And then we hear from you and your subordinates that the money is in the pipeline. No, it is not being drawn down.

Secretary RIDGE. Well——

Senator REID. For those of us who are trying to respond to our constituents at home, it seems like this is a catch-22 that you——

Secretary RIDGE. Yes.

Senator REID [continuing]. Where it is not being drawn down.

Secretary RIDGE. Yes.

Senator REID. And why is it not being drawn down? It is, you know, a typical Government snafu.

Secretary RIDGE. Well, you—Senator, you are right. We are all accountable to get the money out the door, because we all have a place in that process. The accountability at the State and local

level, I think, and one of the recommendations that I would respectfully make when you hear that concern expressed is they—particularly at the local level that they try—that they work with their Governors and whomever the Governor has assigned to develop these plans. And if there is need for Department of Homeland Security (DHS) to be involved with them in developing the plans, we are certainly prepared to do so.

You should know in furtherance of this effort, the President's Homeland Security Advisory Committee has—is prepared to send out a statewide template for State and local planning to assist them in this effort. That document should be released in the next couple of days, and it is a work product of mayors, Governors, first responders, because, you know, in the past couple of months they have asked us, "How do we put these plans together? We need a template." Well, that is—it is on its way.

So I say respectfully to those who expressed concern about the delay in getting dollars out at the local level: Get with the Governor, develop that plan, get it into us, and we will get the money out the door as quickly as possible. And if you need more technical assistance, come to us and we will provide it.

#### NUCLEAR SECURITY

Senator REID. One last question, and this was a cursory glance of the supplemental. I have been concerned because my responsibilities on the—one of the subcommittees, one of these subcommittees' appropriations, about nuclear security. What do you have in the supplemental, if anything, for securing the safety of our nuclear plants around the country?

Secretary RIDGE. Well, first of all, part of the Liberty Shield dollars goes to the States who have employed—

Senator REID. I do not know what Liberty Shield dollars—I do not know what that means.

Secretary RIDGE. Part of the supplemental, would be a better way to characterize it, is to reimburse the States who have deployed either State Police or National Guard at various facilities around the country. Many of these facilities—

Senator REID. But what—pardon my interruption. My question is, is there anything specific in the supplemental?

Secretary RIDGE. Yes.

Senator REID. Yes. Okay.

Secretary RIDGE. Yes, there is. It is to reimburse the States or the locals who have added layers of protection to nuclear facilities.

Senator REID. Senator Stevens, thank you very, very much.

Chairman STEVENS. You are welcome.

Senator Cochran.

#### TRANSPORTATION SECURITY ADMINISTRATION (TSA) AND COAST GUARD

Senator COCHRAN. Mr. Chairman, thank you.

The other day when we came over to The White House to meet with the President and the Vice President and Director of Office of Management and Budget (OMB) to get an idea of what the supplemental request would be, we were given a broad general outline of the request. And I recall asking a question at that meeting about

whether or not there was a specific request for the Transportation Security Administration. I was advised that there was not.

Now we find though, with staff coming up to talk about the details, that there is an intention to make available some of this money to the Transportation Security Administration.

We also had difficulty finding out how the Coast Guard request would be spent by the Coast Guard. There were very general statements that had been made about what the needs were. Reservists were being called up. There were additional requirements for the Coast Guard in preventing terrorism activities.

Do you have, this morning, any more specific information about—

Secretary RIDGE. Yes, we do.

Senator COCHRAN [continuing]. How much money would go to these specific activities under the jurisdiction of the Department of Homeland Security?

Secretary RIDGE. Yes. Senator, the Transportation Security Administration piece of the funding request is about \$100 million for overtime, increased perimeter security, and additional law enforcement at the airports around the country.

The Coast Guard's request is about \$580 million. They would have access to that. About \$400 million is to support the Coast Guard's redeployment of people and crews and vessels to the Gulf, as well as the protection they afford the supply chain out of our domestic ports. That is about \$400 million.

And \$180 million goes to enhanced security, not only at ports during this period of heightened alert, but also at—there are several very critical pieces of infrastructure dealing with energy, nuclear, natural gas, and the like that we have 24/7 coverage on during this period. So about \$100 million for TSA, and roughly \$580 million for the Coast Guard.

#### FEDERAL ENERGY MANAGEMENT AGENCY (FEMA)

Senator COCHRAN. While this request relates to the events following the Iraqi war, and the Department of Defense piece certainly is related to that in a much broader way than the homeland security request. One of the agencies under your jurisdiction now is the Federal Emergency Management Agency. And we know that they have been called upon to do a lot of work in addition to what had been anticipated when their budget for this fiscal year was written in connection with the shuttle disaster.

Secretary RIDGE. Right.

Senator COCHRAN. They have been going around trying to supervise the accumulation of some of the debris. And a lot of expense, I am sure, that was unanticipated has been incurred by that agency. Does this supplemental request seek additional funds for FEMA to take care of those unanticipated expenses?

Secretary RIDGE. Senator, it does not include any additional money for that unanticipated requirement. It is a cost that unfortunately, because of the tragedy, that we are doing our very best to absorb within the sums of money that the Congress gave us in the 2002 and 2003 budget. It is about managing this additional requirement with additional resources.

However, the new—this request does provide for about \$15 million, because we do have the regional operation centers at FEMA now up 24/7. And I think there is about \$15 million here for anticipated costs as we stay—keep the regional offices up, and deploy some of the assets in the possibility that they might be needed.

But there are no additional dollars requested for their work with the—in response to the Columbia disaster.

Senator COCHRAN. Mr. Chairman, thank you. I will reserve my time for other questions later.

Chairman STEVENS. Sure.

Senator Inouye.

#### GRANT FORMULAS

Senator INOUE. Thank you very much.

Mr. Governor, in your prepared statement you have indicated that distribution of funds to States will be made according to a formula. Somehow the statement does not describe the formula. Is that formula based on population or based on threat level?

Secretary RIDGE. Well, Senator, you raise a very important point, and this is as good a time publicly to discuss it, because the formula under which the Office for Domestic Preparedness historically worked when it was at Justice did not, in my judgment, take into the—into account, as strongly, threat, vulnerability, critical infrastructure needs and the like.

And one of the challenges that the new Department of Homeland Security will have in working with Congress as we move forward to address not only the amount of dollars, but how and—how well and how appropriate they are expended, is to revisit that whole question of whether it is an appropriate formula.

We think there needs to be some adjustment to it. I am not sure it can be done in the limited period of time between now and when the supplemental is concluded. But it is not—it causes a lot of your colleagues on both sides of the aisle, in both chambers, as well as our Department, cause to rethink how we distribute in the future terrorism preparedness dollars.

#### PORT SECURITY ASSESSMENTS

Senator INOUE. I appreciate your very candid response, Mr. Secretary. I have just another question. In response to the security problems in our ports, the Congress passed last year the Maritime Transportation Security Act. And the purpose of that act was to provide funds, make an assessment of security problems in the most critical ports, 55 of them.

As of this moment, we have completed assessments on five, and we have been told that possibly eight more will be finished by the end of the fiscal year. At this rate, it would be 2009 before we finish these assessments, and I am certain you will agree with all of us that this is very critical. The time is now. How long is it going to take to make these assessments?

Secretary RIDGE. Senator, I had a very good and very explicit conversation about that goal with Admiral Collins within the past week. In the 2004 budget, our request for dollars to go to information analysis and infrastructure protection is, I think, in the vicin-

ity of \$800 million. And some of those dollars we would use to accelerate the vulnerability assessment of those ports.

It is our intention—and I will get back to you with a specific time frame, but I think clearly we would like to get that done not according to the timetable that you projected, which is far, far too long, but within the next fiscal year, if we possibly can. And I think we can accomplish that.

Senator INOUE. And there are no funds in here to implement the recommendations of the assessments. Do you intend to have funds requested for these purposes?

Secretary RIDGE. Well, again, Senator, we recognize the mandate that Congress gave the Department with the Maritime Transportation Security Act, and, again, as the Coast Guard has done so well in the past, that is a priority that you have set, and we just have to find a way to get it done with little or no money at all.

We know that some of it had been undertaken even prior to that piece of legislation, just as an ongoing response to the 9/11—just a reaction to the 9/11 tragedy and our notion that it is a—it is the first war of the 21st century. We have to think differently about combating terrorism, and we will use whatever resources and transfer authority we have within the new Department to get them the funds to get it done as quickly as possible.

Senator INOUE. Thank you very much, Mr. Secretary.

Mr. Chairman, can we submit written questions?

Chairman STEVENS. Well, the—Mr. Secretary, will you respond to written questions?

Secretary RIDGE. Oh, absolutely. I would be—I understand the time restraints, and I want to recognize that. And I know by—I am sure there are literally dozens of additional questions, and we would be happy to respond to them.

Chairman STEVENS. Thank you very much.

Senator INOUE. Thank you, sir.

Secretary RIDGE. Yes, sir.

Chairman STEVENS. Mr. Specter.

#### INTELLIGENCE ANALYSIS

Senator SPECTER. Thank you, Mr. Chairman.

Mr. Secretary, thank you for taking on this very difficult job, from leaving the governorship of our home State, Pennsylvania, and now being Secretary of Homeland Security.

I want to revisit with you a subject which we have discussed extensively in the past, and that is the overall direction on intelligence analysis. There were many of us in the Congress who thought that it should be the Secretary of Homeland Defense's authority to put all the dots on one board in light of what happened on 9/11, where there is substantial reason to believe that had all the dots been in one place, 9/11 might well have been prevented. We will never know for sure, but possibly that could have been the case.

There was no opportunity to offer an amendment in the Senate without substantially delaying the enactment of the bill because the House of Representatives had gone home and left us with a bill, pretty much, take it or leave it. We have not moved to alter

the bill in light of the President's Executive Order putting everything under the Central Intelligence Agency (CIA).

There has been a great deal of conflict over the years with the Department of Defense commenting from time to time dissatisfaction with CIA, with the absence of clear-cut authority by CIA, because the funds are really with the Department of Defense and other agencies. My question to you is, how is it working out on a day-by-day basis? What is the practical effect of the President's Executive Order, and how do you function? You are really responsible for homeland security to the extent it can be pinpointed anywhere in the Executive Branch below the President.

How is it working out to get the analysis from all of the intelligence agencies, having them work together so that you see the big picture, and you see all the dots on the board, or you see what has to be corrected, and what authority do you have?

Secretary RIDGE. Senator, since we have set up the Department effectively March 1st, we have continued to receive the kind of cooperation and collaboration that you have advocated for quite some time from the intelligence community, the Federal Bureau of Investigation (FBI), and the other intelligence gathering agencies in the Federal Government.

To that end, we actually have analysts assigned to us from those agencies as well as other agencies. Within our own Department of Homeland Security, there are several agencies that have intelligence-gathering responsibilities that have developed their own analysts. We have pulled them in.

So we have developed internally within a short period of time our own analytical capability. We do not have the numbers yet. We will grow the numbers, but we do have a broad reach across all of the intelligence community to gather that information.

We participate on a regular basis—in a formal way, I do with Director Tenet and Director Mueller every morning. We participate twice a day in teleconferencing with all the intelligence gathering agencies within the Federal Government. So in a very short period of time, we have set up, as I said before, our own internal analytical unit.

We are in contact and working with the intelligence community, the FBI and others to formalize our connection—and this is, again, something you have advocated for a long time—to formalize our connection with the President's Terrorist Threat Integration Center. We will have our analysts there.

The Congress has said you want us to be a full partner in that effort. You have also said you want us to have access to raw data, because that is the ultimate collection point. That process is ongoing as well.

So I think we make significant progress every day. We have our own analytical capability. It is growing every day. And ultimately we will be connected in a formal way as a full partner getting access to the raw data we need once the Terrorist Threat Integration Center is completed.

Senator SPECTER. Permit me to ask you one further question before my red light goes on.

Secretary RIDGE. Yes, sir.

## FOREIGN INTELLIGENCE SURVEILLANCE ACT

Senator SPECTER. Please keep us informed as to what is happening so it is institutionalized. Right now with the great pressure there may be more incentives for cooperation, but let us see that that is institutionalized.

My next question is: What steps can you take when the FBI uses the wrong standard for probable cause under the Foreign Intelligence Surveillance Act? A couple of weeks ago, Director Mueller was here, and we explored that they were using the wrong standard, more probable than not as opposed to suspicion under the totality of the circumstances, and they were not getting the warrants they should have been getting.

With you being responsible for homeland security, what can you do to see to it that the FBI uses the right standard?

Secretary RIDGE. Senator, I was present during that particular hearing when you had that exchange with Director Mueller. I believe that there is a respectful disagreement as to whether they are using the right standard. I have had this conversation with Director Mueller. I am familiar with the very aggressive use of that authority within the FBI, and I will just have to acknowledge that there is a difference of opinion between yourself and the Director.

We are joined at the hip with the Director. We get all that information that we request, and I am hopeful that the two of you can resolve your differences because the Director himself believes that the standard that he has employed is really consistent with your interpretation. Obviously, he has not convinced you of that point, and I do not think I could either. So I am going to——

Senator SPECTER. Okay.

Secretary RIDGE [continuing]. Defer it back to him.

Senator SPECTER. Well, I will take it up with you privately, but it is not a respectful disagreement.

Secretary RIDGE. All right, sir.

Senator SPECTER. Thank you, Mr. Chairman.

Chairman STEVENS. I would announce that Senator Hollings is next.

Senator HOLLINGS. Yes.

Chairman STEVENS. Governor Ridge, with your indulgence, we would like to interrupt your testimony after Senator Hollings, and call in the Secretary of Defense.

Secretary RIDGE. Yes, sir.

Chairman STEVENS. And we will negotiate with you what we do after that. I would hope that once the Secretary finishes, we could go back to your testimony and finish the questioning of you, and then go to the Secretary of Defense subordinates.

Secretary RIDGE. That is your——

Chairman STEVENS. Senator Hollings.

## PORT SECURITY

Senator HOLLINGS. Yes. Thank you very much, Mr. Chairman.

Secretary RIDGE. As you wish, Mr. Chairman, whatever.

Senator HOLLINGS. And thank you, Mr. Secretary. I am looking forward to working with you.

A lot has been done since 9/11 on homeland security. We moved immediately, passed an airline security bill unanimously through the Senate, working with Secretary Mineta and Admiral Loy. And now it has been funded.

On the other hand, as Senator Inouye's questions, we passed a port security bill unanimously, all the—Republican, every Democrat. And this week we reaffirmed in the budget a unanimous agreement of \$1 billion a year for 2 years.

If we do not have the money forthcoming, what happens is that you have got a correlation problem immediately with the captain of the port, some young lieutenant or lieutenant commander. If there is a security breach, he is the fellow, poor fellow, who is in charge, but he has got to get together the Coast Guard, the Customs, the Immigration, the Drug Enforcement Administration (DEA), the local sheriff, the FBI, and everybody else of that kind and on—last week when you had that orange, alert orange, the Governor of South Carolina—we dream of National Guard. They are all committed, gone. Reserves gone. And what he had to do was get parole officers around the Port of Charleston and that kind of thing.

So if you can help us get that money out and help—they have all been working, collectively, Customs, Bonner, Admiral Loy, and now Admiral Collins, everybody has been working together, but we still cannot identify every ship coming into port. We do not have that coordination following through. If you just—if survey is five a year, you and I will be dead and gone. We have got to start moving faster and get the money out to the folks, because they are working hard around the clock.

Thank you a lot, Mr. Chairman.

Secretary RIDGE. And, Senator, I just appreciate your acknowledgment of the good work the Coast Guard is doing.

Senator HOLLINGS. Yes.

Secretary RIDGE. But to allay some of your concerns—I am not going to eliminate them all—but the Customs—we are beginning to build rings of defense around our ports. We have initiated the Cargo Security Initiative in major ports offshore where we will put the Customs people and non-intrusive technology coupled with a 24-hour request for the manifest, so we can do some inspection work even before those containers are put on the ports.

Clearly, the Coast Guard has substantially increased the number of aircraft as well as vessels since 9/11 at our various ports. The Congress did authorize a couple hundred million dollars, I think, in the 2003 budget for enhanced port security. Those grants will be coming out. So—and in a very methodical and, I think, a very appropriate way, we begin to build layers, perimeters of defense around our ports. And I look forward to working with you to make them stronger in the months ahead.

Senator HOLLINGS. Thank you very much.

SWITCH PANELS TO DEPARTMENT OF DEFENSE

Chairman STEVENS. Thank you.

Now, Mr. Secretary, we will keep in touch with your staff. I understand the Secretary of Defense will be here for about 1 hour. We



will see how that lasts and go back to your testimony, sir, when he is finished. Is that agreeable?

Secretary RIDGE. That would be fine.

Chairman STEVENS. Thank you, sir.

Yes, sir. You can stay there or you can go to another office, whatever you want to do, Governor.

Senator MURRAY. Mr. Chairman? Mr. Chairman?

Chairman STEVENS. Yes.

Senator MURRAY. If the Secretary is not able to come back, and we are not able to get our questions answered, I heard him say that we could submit them. I just want to make sure that we will be able to get responses back before the markup on Tuesday.

Chairman STEVENS. I am not sure the markup will take place for sure on Tuesday. We will schedule it for Tuesday. We are going to try to get through this hearing by that time, but—

Senator MURRAY. I will revise that to before markup.

Chairman STEVENS. Yes. All right. Before markup. I am sure we will have that cooperation, trying to get the answers here as much as possible.

And I apologize for this. The Secretary of Defense has demands on both sides of the Capitol and also with—in the war room, so we—with the consent of the Secretary of Homeland Security, have had this bifurcated hearing.

But we will continue in this room for—with Secretary Ridge, and then with Secretary Wolfowitz and Zakheim after that today.

Senator LEAHY. And, Mr. Chairman, I appreciate what you have to do to do this. I agree that we should be able to submit whatever questions necessary. I do not think anybody wants to be dilatory, but we are being asked to commit a huge amount of money in a very short period of time. All of us support making sure our troops are supplied in the field, but I think to do that, we also have a responsibility to our own constituents.

Chairman STEVENS. Well, I would remind you, we put up \$40 billion for New York after 9/11 in 2 days. And we are at war now.

Senator LEAHY. We can—nobody questions that, but I think also you are asking for an enormous amount. I am sure the witnesses are going to be eager to answer the questions we do ask.

Chairman STEVENS. Secretary—

Secretary RIDGE. If somebody wants to sit here, I will get out of the way.



DEPARTMENT OF DEFENSE

STATEMENT OF HON. DONALD H. RUMSFELD, SECRETARY OF DEFENSE

ACCOMPANIED BY:

DOV S. ZAKHEIM, UNDER SECRETARY OF DEFENSE, COMPTROLLER

PAUL WOLFOWITZ, DEPUTY SECRETARY OF DEFENSE

Chairman STEVENS. Secretary Rumsfeld, we are pleased to have you and General Myers here.

Mr. Zakheim, Secretary Wolfowitz, if you would like to join the Secretary, it is all right with us. But the Secretary is to guide who he wants at the table.

Mr. Secretary, we have waived opening statements. We would like to have your statement as short as possible. I know you are under some time restraints. And after you finish, we would go on to your secretaries, Secretary Wolfowitz and Secretary Zakheim, to answer the balance of the question.

General Myers, I know we all know you are under tremendous pressure, so we would accept your time, what time you have available for us, sir.

Secretary Rumsfeld.

Secretary RUMSFELD. Would you prefer that I not make a statement, or should I—

Chairman STEVENS. I prefer you make your statement. We will put the whole thing in the record—or I have already seen it. I—and members have it in front of them, but whatever statement you wish to make, Mr. Secretary.

Secretary RUMSFELD. Okay. Thank you, Mr. Chairman.

We are now less than a week, about a week, into the Operation Iraqi Freedom. The major ground attack began on 10 o'clock last Thursday, and the air war began on Friday, the following day, at 1:00 p.m., so it will be a week tomorrow. While the conflict is well begun, it has really only begun, and we are still closer to the beginning than to the end.

The coalition aircrews have flown thousands of sorties, striking at leadership and Republican Guard targets day and night, except for the periods of very bad weather. They have raced across on the ground some 200 miles of Iraq to reach a point about 50 kilometers south of Baghdad in less than a week. It is an impressive rate of advance.

They have secured the Iraqi southern oil fields. There are—were 10, I believe, plus or minus 10 oil fields that were, or oil wells that were either aflame or had been ruptured, and crews are working on them to put out the fires at the present time.

In the North, the coalition has launched attacks on terrorist targets, and is having success in disrupting terrorist operations, and

prevented an Iraqi advance against the Kurds, at least thus far. And in the West, the forces have had good success in securing the region and dealing with the regime's capability to threaten neighboring countries from the Scud baskets in that part of Iraq.

The campaign could well grow more dangerous in the coming days and weeks, as the forces close in on Baghdad, and begin to have to deal with the Republican Guard forces north of Tikrit, south of Baghdad.

But the outcome is assured. The regime of Saddam Hussein will be removed, and the only thing that remains unclear is precisely how long it will take.

#### FINANCING THE COSTS OF THE WAR

We do know that these efforts cost money. The costs of military operations in Iraq and the other missions currently underway in the global war on terror can obviously not be absorbed without an emergency supplemental appropriation that the President has requested.

Since the new fiscal year began, every month since October of 2002—that is October, November, December, January, February, March—we have had to borrow from other programs, because the war on terrorism was not funded.

We have to recognize that that pattern cannot really continue much longer. The services have already gone through all of their discretionary spending for the first, second and third quarters of 2003, and will soon have exhausted the fourth quarter discretionary spending—discretionary funding.

If this continues, we will run out of discretionary funds by late spring or early summer, depending on what the costs are, which are not knowable at the present time. And that could force a curtailment of training, maintenance and other critical activities.

The President's supplemental request is for \$74.7 billion. That includes some \$62.6 billion for the Department of Defense (DOD) to support military operations in Iraq and throughout the global war on terror.

The request includes, among other things, \$7.1 billion for the round-trip costs of transporting the forces and equipping to and from the theater of operations; some \$13.1 billion to provide war fighters in theater with fuel, supplies, repair parts, maintenance, and other operational support that they need; about \$15.6 billion for incremental personnel costs, such as for special pay and compensation for the mobilized reservists; \$7.2 billion to start the process of reconstituting our forces by replacing the cruise missiles, the smart bombs, and other key munitions that are being expended in the course of the conflict; \$12 billion for stability operations, military operations to root out terrorist networks and deal with any remaining pockets of resistance, humanitarian assistance, and operations to search for and destroy Iraqi weapons of mass destruction; \$1.5 billion for coalition support for the global war on terror, including \$1.3 billion for reimbursement to Pakistan and other key cooperating nations assisting in the effort in Afghanistan, and \$165 million for training of the Afghan National Army; and \$6.1 billion for other requirements outlined in the request to support military operations in Iraq and the global war on terror.

Of the \$62.6 billion the President requested in this supplemental for DOD, some \$30.6 billion are funds that have either already been spent or have been committed, including the cost of flowing forces into the region to support the diplomatic efforts before Operation Iraqi Freedom began.

If the Iraqi regime had agreed voluntarily to disarm and prevent a war, the costs of sustaining that military pressure through the rest of the fiscal year would have been in excess of \$40 billion. So even without a war, the costs of disarming Iraq would have been significant.

#### RELIEF AND RECONSTRUCTION

The President has also requested funds in the supplemental for both an Iraqi Relief and Reconstitution Fund, and a Natural Resources Risk Remediation Fund to help with emergency fire fighting and repair of damage to oil facilities.

But let me be clear: When it comes to reconstruction, before we turn to the American taxpayers, we will turn first to the resources of the Iraqi government and the international community. That is why the President last week seized frozen Iraqi assets in the United States, so that they can be put to use to help rebuild the country.

Once Saddam Hussein is gone, the United States will work with the Iraqi Interim Authority that will be established to tap Iraq's oil revenues, the funds Iraq is owed in the United Nations's Oil for Food program, and other Iraqi resources to fund the effort.

Reconstruction will require a significant international effort. And the threat posed by Saddam Hussein's regime is a global threat, which is why some 49 nations have now publicly associated themselves in the coalition against Iraq, and many more nations are helping privately, some 10 or 11. I think the total number of countries cooperating in one way or another now is approaching in the midsixties. Already a number of countries have indicated that they want to help with reconstruction and stability in a post-Saddam Iraq.

In addition to needing this supplemental, Mr. Chairman and members of the committee, we also need greater flexibility as to how that money is spent, so we can adjust to the changing circumstances.

It is our hope that the period of intense combat in Iraq will be as short as possible, but it is not knowable; and that the coalition operations can shift fairly quickly from combat to restoring stability and civil order, supplying humanitarian assistance, and helping Iraq's people rebuild and assume functional and political authority from the coalition. That is the hope. But when it will happen is not knowable.

We do not know when the period of intense combat will end. We do not yet know how much damage there will be to the Iraqi infrastructure, though the coalition forces are making efforts to keep that damage minimal while inflicting maximum damage to regime targets. We do not know how the international effort will unfold and the specifics of what each country may be willing to offer.

We cannot know the extent to which the United Nations (U.N.) will be permitted to help the Iraqi people, what access the coalition

will have to the U.N. Oil for Food program fund, what economic sanctions might be lifted, and the answers to many other questions.

#### FLEXIBILITY NEEDED

The point is that with so many unknowns, the Administration clearly needs some flexibility. Just as the military plan that General Franks developed has flexibility built into it so that our forces can deal with unexpected events on the battlefield, our budget plan must also have flexibility to deal with the changing circumstances on the ground.

That is why we believe it is important that the funding request for the Defense Emergency Response Fund be appropriated in that fund, with its own transfer authority so we will have the flexibility to respond to the changes on the ground.

It is also important that Congress approve the general provisions the President has requested in the supplemental, especially the request for increased general transfer authority. The President has requested a transfer authority ceiling of 2.5 percent of the fiscal year 2003 defense budget. We believe that figure is reasonable, and that the increased flexibility is needed.

#### COMPARING COSTS

We cannot know how long the effort in Iraq is going to last, and we certainly cannot tell what it is going to cost. What I do know is that whatever it ends up costing, it will be small compared to the cost in lives and treasure of another attack like the one we experienced on September 11th or a weapons of mass destruction attack that could be far worse.

The Milken Institute estimated that metropolitan areas throughout the United States sustained losses of about \$191 billion as a result of 9/11 and some 1.6 million jobs were lost as a result of the attacks. That is not to mention the cost in lives and the pain and the suffering of so many who lost husbands, wives, fathers, mothers, sons and daughters, sisters and brothers on that terrible day.

Our mission in the global war on terror is to do everything in our power to prevent a chemical, biological or nuclear attack that would make 9/11 seem modest by comparison, an attack where we could lose not just 3,000, but 30,000 or 300,000, or more.

There is no question but that \$74.7 billion is a great deal of money, but the cost of not investing that \$74 billion would be far greater. We need the funds. We need the flexibility as to how they are spent, so we can adapt to the unknowable circumstances that are unfolding in the weeks and months ahead.

#### PREPARED STATEMENT

We will continue to brief the Congress regularly as events unfold on the ground, and as these unknowns come into better focus. We appreciate the strong support that Congress has shown for the men and women in uniform. They are doing a truly remarkable job, and I know that they will succeed in their mission.

[The statement follows:]

## PREPARED STATEMENT OF SECRETARY DONALD H. RUMSFELD

Mr. Chairman, members of the Committee, thank you for this opportunity to update you on our progress in the global war on terror, and to discuss the President's emergency supplemental request to fund worldwide operations in support of that war.

We are now less than a week into Operation Iraqi Freedom. The major ground war began last Thursday at 10 p.m., and the major air war started on Friday, the following day at 1 p.m. Eastern Time. So while the conflict is well begun, it has only begun—we are still closer to the beginning than the end.

Already, coalition forces have made good progress. The men and women in uniform—U.S. and coalition forces alike—are doing a superb job. They have engaged the enemy in demanding circumstances—enduring wind gusts in excess of 85 miles-an-hour, and sand storms so intense that they literally turn day into night, blacking out the sun. They face an adversary which has demonstrated its contempt for the laws of war—dressing its forces as liberated civilians; sending them out waving white flags, feigning surrender, in order to draw coalition forces into ambushes; using hospitals as a base from which to launch attacks and hiding behind human shields.

In spite of these challenges, what coalition forces have accomplished in less than a week is remarkable:

- Coalition aircrews have flown thousands of sorties, striking leadership and Republican guard targets day and night.
- Coalition ground forces have raced across more than 200 miles of Iraqi territory—through enemy fire and inhospitable terrain—to reach a point just south of Baghdad in less than a week. It is an impressive rate of advance.
- They have secured Iraq's southern oil fields, preventing an environmental disaster and the destruction of critical resources that the Iraqi people will need once Saddam Hussein has been removed.
- In the North, the coalition has launched devastating attacks on terrorist targets, is having success in disrupting terrorist operations, and has prevented an Iraqi advance on the Kurds.
- In the West, coalition forces have had good success securing the region and dealing with the regime's capability to threaten neighboring countries from that part of Iraq.

As the battle unfolds in Iraq, coalition forces are also engaged in operations elsewhere in the world in support of the global war on terror. Just a few weeks before the Iraq campaign began, the al-Qaeda network was dealt a serious blow with the capture of one of their most senior operatives—Khalid Sheik Mohammed. And last week, as Operation Iraqi Freedom got underway, coalition forces also launched a major assault on terrorists operating in the southern mountains of Afghanistan—Operation Valiant Strike. Many other anti-terrorist efforts are underway throughout the world—efforts that are, of necessity, often unseen, but which are helping to protect our people from further acts of terror.

The point is this: all elements of national power are fighting the global war on terror on all fronts. The coalition is putting steady pressure on al-Qaeda, in Afghanistan and across the globe. And the Iraqi regime is discovering they made a serious miscalculation in rejecting 12 years of efforts to secure their peaceful disarmament.

The campaign could well grow more dangerous in the coming days and weeks, as the forces close in on Baghdad. But the outcome is assured. Saddam Hussein's regime will be removed. The only thing that remains unclear is precisely how long it will take.

We do know this much: these efforts cost money. The costs of military operations in Iraq, and the other missions currently underway in the global war on terror, cannot be absorbed without the emergency supplemental appropriation the President has requested.

Since the new fiscal year began, every month since October 2002—October, November, December, January, February and now March 2003—we have had to borrow from other programs to pay for the costs of the global war on terror.

That pattern cannot continue much longer. The Services have already gone through all of their discretionary spending for the 1st, 2nd and 3rd quarters of 2003—and will soon have exhausted 4th quarter discretionary funding.

If this continues, we will run out of discretionary funds by late spring/early summer—which could force us to curtail training, maintenance and other critical activities.

The President has submitted a supplemental request of \$74.7 billion. It includes \$62.6 billion for the Department of Defense to support military operations in Iraq and throughout the global war on terror. Our troops are depending on it—those en-

gaged in battle, those preparing for battle, those stationed at critical outposts across the globe, and those deployed here in the United States defending the homeland.

The request for DOD includes, among other things:

- \$7.1 billion for the round-trip costs of transporting our forces and equipment to and from the theater of operations;
- \$13.1 billion to provide war fighters in theater with the fuel, supplies, repair parts, maintenance, and other operational support they need to prevail;
- \$15.6 billion for incremental personnel costs, such as for special pay and compensation for mobilized reservists;
- \$7.2 billion to start reconstituting our forces by replacing the cruise missiles, smart bombs, and other key munitions being expended in the course of the conflict.
- \$12 billion for stability operations, military operations to root out terrorist networks and deal with any remaining pockets of resistance, humanitarian assistance, and operations to search for and destroy Iraqi WMD.
- \$1.5 billion for coalition support in the global war on terror—including \$1.3 billion for reimbursement to Pakistan and other key cooperating nations assisting the effort in Afghanistan, and \$165 million for training of the Afghan National Army.
- And \$6.1 billion for other requirements outlined in the request to support military operations in Iraq and the global war on terror.

Of the \$62.6 billion the President has requested for DOD in this supplemental, \$30.3 billion are funds that have already been spent or committed—including the cost of flowing forces into the region to support the diplomatic efforts before Operation Iraqi Freedom began.

If the Iraqi regime had agreed to voluntarily disarm and prevent a war, the costs of sustaining that military pressure through the rest of the fiscal year would have been in excess of \$40 billion. So even without a war, the costs of disarming Iraq would have been significant.

The President has also requested funds in this supplemental for both an Iraq Relief and Reconstruction Fund, and a Natural Resources Risk Remediation Fund to help with emergency fire fighting and repair of damage to oil facilities. It is important that we have these resources available.

But let me be clear: when it comes to reconstruction, before we turn to the American taxpayers, we will turn first to the resources of the Iraqi government itself and the international community. That is why the President last week seized frozen Iraqi assets in the United States—so that they can be put to use to rebuild the country. Once Saddam Hussein is gone, the United States will work with the Iraqi Interim Authority that will be established to tap Iraq's oil revenues, the funds Iraq is owed in the U.N.'s "oil for food" program, and other Iraqi resources to fund their reconstruction effort.

Reconstruction will require a significant international effort. The threat posed by Saddam Hussein's regime is a global threat—which is why some 47 nations have publicly associated themselves with the coalition in Iraq, and many more are helping privately. Already, a number of countries have indicated that they want to help with reconstruction and stability in a post-Saddam Iraq.

Mr. Chairman, in addition to needing this supplemental, we also need greater flexibility in how we spend it—so we can adjust to the constantly changing circumstances of the war.

It is our hope that the period of intense combat in Iraq will be as short as possible—and that the coalition operations can shift quickly from combat to restoring stability and civil order, supplying humanitarian assistance, and helping Iraq's people rebuild and assume functional and political authority from the coalition.

That is our hope. But when it will happen is not knowable.

—We do not know when the period of intense combat will end.

—We do not yet know how much damage there will be to Iraq's infrastructure—though the coalition forces are making efforts to keep that damage minimal while inflicting maximum damage to regime targets.

—We do not know how the international effort will unfold and the specifics of what each country is willing to offer.

—Moreover, France has announced it will veto any new Security Council resolution and block coalition efforts to give the United Nations an appropriate role in the post-Saddam reconstruction effort.

—That means we cannot know the extent to which the United Nations will be permitted to help the Iraqi people, what access the coalition will have to the U.N.'s "oil-for-food" program funds, when economic sanctions might be lifted, and the answers to many other unknowns.



The point is that: with so many unknowns, we will need some flexibility. Just as the military plan General Franks developed has flexibility built into it so that our forces can deal with unexpected events on the battlefield, our budget plan must also have flexibility to deal with changing circumstances on the ground.

That is why it is important that the funding requested for the Defense Emergency Response Fund (DERF) be appropriated in that fund—with its own transfer authority—so we will have the flexibility to respond to the inevitable changes on the ground.

It is also important that Congress approve the general provisions the President has requested in the supplemental—especially the request for increased general transfer authority (GTA). The President has requested a General Transfer Authority ceiling of 2.5 percent of the fiscal year 2003 DOD budget. That figure is reasonable. Increased flexibility is needed.

The President has requested a war supplemental of \$74.7 billion. That figure is not the cost of the war; that figure is the best estimate of the money that the State Department, the CIA, the Department of Homeland Security, and the Department of Defense need to carry us from October 1, 2002 through the end of this fiscal year.

We can't know how long the effort in Iraq is going to last—and we certainly can't tell what it is going to cost. It is not knowable.

What I do know is that, whatever it ends up costing, it will be small compared to the cost in lives and treasure of another attack like the one we experienced on September 11th—or a weapons of mass destruction attack that could be far worse.

The Milken Institute estimated that metropolitan areas throughout the United States sustained losses of about \$191 billion as a result of 9/11 and some 1.6 million jobs were lost as a result of the attacks. And that's not to mention the cost in lives lost and the pain and the suffering of so many who lost husbands and wives, fathers and mothers, sons and daughters, sisters and brothers on that terrible day.

Our mission in the global war on terror is to do everything in our power to prevent a chemical, biological or nuclear attack that would make 9/11 seem modest by comparison—and attack where we could lose not 3,000 people, but 30,000 or 300,000, or more.

Yes, \$74.7 billion is a lot of money—but the cost of not investing that \$74.7 billion would be far greater.

Mr. Chairman, we need the funds—and we need flexibility in how they are spent, so we can adapt to unforeseen and unknowable circumstances that will unfold in the weeks and months ahead.

We will continue to brief the Congress regularly as events unfold on the ground, as these unknowns come into better focus. We appreciate the strong support you have shown for the President, and for the men and women in uniform. They are doing a remarkable job and I know that they will succeed in their mission.

I'd be happy to take your questions.

Secretary RUMSFELD. General Myers.

Chairman STEVENS. General Myers.

#### **STATEMENT OF GENERAL RICHARD B. MYERS, CHAIRMAN, JOINT CHIEFS OF STAFF**

General MYERS. Mr. Chairman, I have a short statement. Good morning, Mr. Chairman and members of the committee. It is a pleasure to be here with you.

I will not repeat the Secretary, but I would like to take this opportunity to point out the dramatic successes that our servicemen and women have achieved this week in Iraq. They have executed our plans superbly and have exploited the flexibility inherent in that plan. The performance is marvelous and I think we are all very proud of them.

The environment is demanding, and our men and women are offering exceptional examples of the dedication, bravery and professionalism of our joint force.

In the first 100 hours of the ground phase of Desert Storm back in 1991, we moved a bit over 100 miles into Iraq. Yet, as Secretary Rumsfeld mentioned, coalition troops moved over 200 miles into

Iraq during Operation Iraqi Freedom in the first 36 hours. That is about twice as far in less than half the time.

I must also point out that our Special Operations teams throughout the country, in cooperation with other U.S. Government agency assets, have done an incredible job and a largely unrecognized job so far for good reason.

We are additionally engaged in a global war on terror in the Philippines and in Georgia, and we are still fighting the al-Qaeda and remnants of al-Qaeda and Taliban in Afghanistan. The global war on terror is, in fact, global in scope and in nature. All of our Nation's Soldiers, Sailors, Airmen, Marines, and Coastguardsmen, as well as our Department of Defense civilians and coalition partners, have performed exceptionally well.

But this effort, protecting America in our new and challenging strategic environment, has generated significant costs. The American and British people have borne the dramatic and tragic price of casualties in battle here recently. And we grieve with the families of these heroes. We will not forget their sacrifice. They are a reminder of the best our country and Britain has to offer.

There is no doubt that we will succeed in disarming Iraq. We will remove their weapons of mass destruction. We will remove their thuggish leader, and we will lift the people of Iraq from under the boot of their oppressor.

But we must recognize, though it pales in personal importance, that we have borne steep monetary expenditures fighting the war on terror and prosecuting the campaign in Iraq. As we meet here today, our Nation's military forces are in need of prompt and full passage of the President's supplemental request.

The Department cannot absorb the more than \$62 billion in incremental costs the war on terror has demanded. In fact, as the Secretary has said, the four military services will soon exhaust borrowing from their fourth quarter operations and maintenance accounts.

Without prompt passage of supplemental appropriations, most of the services' operational and maintenance and military personnel accounts will run out of funding. Prompt funding is needed to sustain our troops in the field as well. And it is important to ensure that those in training at home have the best possible support to accomplish their vital task of providing for the common defense for today and for tomorrow.

And if our full request is not appropriated, shortfalls would cause a severe curtailment of training, maintenance and other funding from later in the fiscal year. This would undoubtedly reduce the readiness and the morale of our hard-working and hard-fighting men and women. And it would reduce Defense Department efforts to fight the global war on terrorism.

Indeed, prompt funding will further demonstrate to our men and women that they have the full and unwavering support of the people of the United States. While we have troops in combat, the importance of support from home cannot be overstated. It is up to all of us to show them that our words are reflected in our actions.

Furthermore, given the challenging dynamics on the war on terror, at this time flexibility of execution is just as important as flexibility on the battlefield, as the Secretary said. And this flexibility

in execution will enable the Department to rapidly meet unknowable, unforeseen requirements to achieve the greatest payoff.

Members of the committee, Secretary Rumsfeld has outlined our expenses by operational phases and other funds and provisions. These are our best projections of our expenses in defeating the Iraqi regime and winning the war on terror.

We appreciate your support and it is essential to our success in protecting America and winning the war on terror that we pass this supplemental. Thank you very much.

Chairman STEVENS. Thank you. Let me thank you for three things: First, for your tremendous leadership; second, for the briefings that you have given to us now every day since this war has commenced. This is not a classified hearing here so we do not expect to go into some of the things you have told us in those sessions.

But, third, I want to thank you for the embedded journalism that you have developed. It has given the world an experience in terms of knowing more and knowing the trials and tribulations of those who must fight a war. And clearly it was a risky decision, but the right one to make. So I personally thank you for that.

I have but one question and that is—I might have some that we will submit in writing to your staff, Mr. Secretary. But your supplemental request outlines four broad phases of the war that we are conducting. Can you outline here for us now, what are those phases and where are we today in regard to those phases?

#### PHASES OF THE WAR IN IRAQ

General MYERS. Yes, sir. We are currently in phase three, which is combat operations. The first two phases were getting ready for that. The second phase was building up the forces and being prepared.

Then the fourth phase is at the end of the conflict, is the reconstruction of Iraq. It is—and it has many different parts to it, but the principal parts would be ensuring the territorial integrity of Iraq; to ensure that the factions are not fighting among themselves in the various ethnic groups; to ensure that we can locate, secure and take appropriate action with weapons of mass destruction sites; and that we bring on or along—at the same time, that we bring on an Iraqi interim administration that can stand up and, hopefully, fairly expeditiously start running their country. And that is the phase four. That follows the phase that we are in right now, which is phase three.

Secretary RUMSFELD. One way to think about it is if you think of Afghanistan. The entire country does not necessarily move from one phase to another. In Afghanistan, for example, we are in phase three in some places where there are still kinetics. In other places, we are in phase four, which is in the post-conflict stabilization period. And I suspect that that will be happening in Iraq as well, that there will be—it will roll across the country. And we will be beginning the phase four probably in portions of the country before the rest of the country is stabilized.

## HOW MUCH OF REQUEST NEEDS FLEXIBILITY

Chairman STEVENS. That raises another question. You have got a request for \$62.6 billion, and the statement is that \$30.3 billion have already been spent or committed. So the flexibility you seek is on the funds that are left to be spent or committed, right?

Secretary RUMSFELD. The flexibility is—each statement—the first statement is correct. We believe that of the total request of \$60-plus billion, some \$30-plus billion has either been spent or committed. That is to say, it is what the global war on terror is costing. It is what it costs to flow forces over. It is an estimate on things that have already expended, munitions.

The request, however, is for the flexibility for the entire amount and I think it is correct to say—Dov, go ahead and clarify it.

Dr. ZAKHEIM. Sure. Regarding the \$30.3 billion, Senator, you are absolutely right. We have a pretty good sense of the accounts and where the money will go, but I stress that it is still an estimate.

We still may have overages and underages in those accounts. So we still need the flexibility throughout. What we tried to do was to give the committee a better sense of where the money was going when we knew it. But it is still only a sense, sir. We do need the flexibility for the entire amount.

Chairman STEVENS. Thank you very much.

Senator Byrd.

Senator BYRD. Thank you, Mr. Chairman. And thank you, Mr. Secretary. Thank you, General.

I am sure that I speak for everyone here when I compliment the fighting men and women who are out there under very extreme and serious circumstances. I compliment them for their bravery and for their doing their job so well.

Let me—I am very sorry that we do not have the time that we ought to have on this very, very important bill. Let me first, Mr. Secretary, say that in your prepared statement, I have noted the word “flexibility” at least a half a dozen times. And I have heard that word kicked around here by others. I heard it down at the White House the other night.

I expressed my suspicions concerning the word “flexibility” at that time, and as I sit here, I must ask you—I wish I could ask more questions; I wish we had the time, because this is a very—to me, this is a very serious thing that we are being asked to do.

The Defense portion of the supplemental includes \$1.4 billion for the support of coalition partners in the war on Iraq and the war against terrorism. You request the authority to exempt these funds from Congressional notification procedures and from all laws that regulate how the United States may give to its friends. Those laws are there for a reason. We should be careful about what we give to other countries.

During the Iran/Iraq war, the United States sent anthrax, brucella and botulinum to Iraq, which may have formed the basis of their biological weapons program. Can you explain, Secretary Rumsfeld, why the \$1.4 billion in foreign aid should be exempt from any kind of oversight outside of the Department of Defense, Department of State, and the Office of Management and Budget? Why should Congress not have some say as to how the money is

used, so that we can ensure that the aid is consistent with the long-term national security interests of the United States?

#### CONGRESS' BUDGET ROLE

Secretary RUMSFELD. Senator, there is no question but that Congress has a critically important role to play, and particularly with respect to the purse strings. I can give you possibly some examples of things that occurred very recently that we were not able to do for long, long periods of time.

Senator BYRD. Mr. Secretary, I hope you will excuse me for interrupting you; my time is limited. Could you give me a more direct answer to the question I asked? If I had more time, I am sure that what you were about to say would be helpful, but I think we can get to the questions and the answers more quickly, if we might.

Secretary RUMSFELD. Well, you indicated that there would not be notification to Congress. There would be. Congress would be fully aware of how the funds were spent. The—any implication to the contrary, I think, would be inaccurate. The question is whether there should be prior notification to a number of committees and then a long period of months prior to the time that those funds can be expended.

And I will give you two specific examples. The United States owed Pakistan, I do not know, several hundred million dollars for months and months and months and months, and we were unable to pay them. And if we are asking countries to cooperate with us and assist us and provide fuel and provide apron space on an airfield, and we are not able to pay them for the funds that they are owed for that service, because—for, I think, it was in this case 6 months—I could be wrong.

General MYERS. More.

Secretary RUMSFELD. More. He says it is more. But we could not pay the Afghan National Army, for example, to help train them. We could not get that started in time. It took months. We had to finally go out and scrounge around and figure out a dozen different ways to do things.

There are certainly things that come up that are not knowable in advance. It would be wonderful if everything were knowable a year and a half in advance, but they are not.

Senator BYRD. Well, Mr. Secretary, this is not the first war we have fought. And I am sure the same thing could have been said in any of the wars that have proceeded this—World War I, World War II, the Korean War, the Vietnam War, and other wars. And I cannot see the necessity of having additional flexibilities given in this instance that we have not had before. It would seem to me that Congress will certainly respond quickly to any needs that can be substantiated by the Department in this period of time.

#### BUDGET FLEXIBILITY

Secretary Rumsfeld, the supplemental request includes \$59.9 billion for the Defense Emergency Response Fund. Last year, the Defense Department requested a similar \$10 billion reserve fund for operations in Afghanistan. Congress disagreed and worked with you to specify accounts for funding. Is there a specific reason why such an approach would not work today?

Secretary RUMSFELD. Senator, because the Congress did not provide the \$10 billion that we requested, the Department of Defense had to borrow from other accounts all through October, all through November, all through December, all through January, until we finally got \$6.1 billion, thanks to this committee and the Congress, to pay back money that had already been spent. It is just a terrible way to operate. To have to run to other accounts and pull money out, and spend it for things you know you are going to have to spend it for is simply not in my view a good way to manage our affairs. We did——

Senator BYRD. Well, Mr. Secretary, I understand it may be a terrible way, but we are talking about the expenditure of the taxpayers' money. And the American people have a right to believe that their money is being spent most prudently. And I know it is—I know it may be difficult to have to have the taxpayers' representatives in Congress to have to limit—place limitations on the various Departments, but this is something that has to be done. We are talking about the liberties of the American people.

And it seems to me that we have done very well over the several decades in fighting the wars. There are limitations. There will be limitations. There ought to be limitations. And I regret that you have to live under these limitations, but it is not asking too much of the American people to have their representatives in Congress require the agency heads to answer questions and to place limitations on their spending.

I cite Madison Federalist number 48, "Power is of an over—encroaching nature." I am sorry. I do not have my glasses with me, so it slows me down a little bit. "Power is of an encroaching nature, and it ought to be effectually restrained from passing the limits assigned to it."

Now, Mr. Secretary, I am sorry you have to labor under these limits, but we have always had them. And we have had wars before, and it is not too much to ask the Department to live within these limitations.

Edmund Burke said, "The people never give up their liberties, except under some delusion." So here we are being asked to give up the people's liberties under the—in the interest of flexibility.

Mr. Secretary, I am against giving additional flexibility. I will give every dollar—I will support every dollar I can to help the troops and provide their—for their safety, and to help win the war. But to have a—to extend these limitations to the extent that they are—is being asked here, I just do not think—I think it is too much.

The reason we have separation of powers is to protect the liberties of the people. And checks and balances and the separation of powers has served the people well now for 215 years. And so count me out when you ask for these additional flexibilities.

I think Congress will respond to the needs whenever the case is made. But we cannot afford to give this Administration or any other Administration a blank check. We did not give you a blank check when you were Secretary of Defense in the 1970s. And I do not expect to support giving a blank check to any Administration.

The people have the right to know how their monies are spent and to believe that they are being spent prudently. And I hope that

the Congress will be very reticent when it comes to giving up these limitations because, after all, they protect the liberties of the American people.

As long as we have a separation of powers, and checks and balances that are written into this—which you have to live by, which I have to live by, then the liberties of the American people will be secure.

I guess I have overrun my time. Thank you, Mr. Secretary.

Secretary RUMSFELD. Yes, sir. Senator, my recollection is there was a defense emergency response fund in the September 2002 supplemental.

Senator BYRD. Yes. I remember that. If I had time, I would go into that.

Chairman STEVENS. And, Mr. Secretary, there will be one this time too.

Senator from—Senator Cochran.

Senator COCHRAN. Mr. Chairman, thank you.

General MYERS, one question that I have that I think we would all be interested in hearing a response to is the extent to which you have what you need to wage the war in Iraq so that we do have a successful conclusion. Are there any items of munitions or equipment or men or women who are necessary for the conduct of this war successfully that you foresee right now to lack funds or shortfalls in funding?

General MYERS. Senator Cochran, right now, I think our men and women have everything they need to prosecute our effort in Iraq and also prosecute the global war on terrorism, which Iraq is a part of, of course to include our efforts in Afghanistan and other places around the world.

As we indicated in both our opening statements, though, and I do not think it is a question of equipment as much as it is of funding personnel costs and other operations and maintenance costs. The money that has been used to fund what we have been doing up until now has been taken from fourth quarter funds from the various services, now creating a need to replenish those funds, or we are going to find out here in May or June that the services are out of their personnel funding in their accounts or they are out of their operations and maintenance accounts.

So—but right now, we are fine. And if we get this supplemental in a timely manner, it will continue to be fine. I cannot think of anything at this point that we can put funding to that would have an impact on this battlefield today. Clearly, you will see some things in the fiscal year 2004—and you already have—in the fiscal year 2004 budget that shore up some of our systems in the future. But now we are in good shape.

#### TIMING OF SUPPLEMENTAL PASSAGE

Senator COCHRAN. Mr. Secretary, I assume that there may be an application of a phrase that I remember from law school, “time is of the essence.” If we act quickly, you can use the funds that we are appropriating more efficiently and more effectively to ensure that we win the war and that we win the war against terror as well.

Secretary RUMSFELD. Absolutely, Senator. There is no question. We have already gone through, as I say, some period of months without the supplemental funds that are needed, and we are anxious to have the appropriation so that we can proceed in an orderly and businesslike way.

Senator COCHRAN. Thank you, Mr. Chairman.

Chairman STEVENS. Senator Inouye.

Senator INOUE. Thank you very much, Mr. Chairman.

#### HOW FUNDS WILL BE DISBURSED TO SERVICES

Mr. Secretary, since the bulk of the funds in the request are not broken down by service, how can the services know what portion they will get so they can make appropriate plans to use such funds?

Secretary RUMSFELD. The—of course, the war is not being fought by services; it is being, as you well know, is being fought by—in a combatant command by joint forces. And how they are—how the decision is made by the combatant commander to use one element of a service or another of a different service is something that evolved as the circumstance on the ground and in the air and at the sea take place.

The allocation will end up being based on usage and consumption. And that is the judgment that evolves as the combatant commander makes decisions as to how he wants to use the various forces. And it ultimately then goes into the normal accounts of the services, as a reimbursement for the expenditure of that usage or that consumption.

Senator INOUE. The chairman of this committee has indicated that he will do his best to finish this process by Easter. Can you assure this committee that the funds will be disbursed as expeditiously as this committee is doing? Because these are reimbursements, are they not?

Secretary RUMSFELD. They—what we will have to do is to go back and immediately start using the funds that are appropriated by the Congress to replenish the accounts that have been drained during the—already now for three quarters worth of those accounts.

Chairman STEVENS. Will the Senator yield?

Senator INOUE. Yes.

#### DIRECT APPROPRIATION FOR COSTS ALREADY INCURRED

Chairman STEVENS. Why can you not give us those figures or put it in the law? Why do we have to wait?

Secretary RUMSFELD. Dov.

Dr. ZAKHEIM. Again, Senator, as I mentioned earlier, what we know already or think we know we have listed, and that was the \$30.3 billion that we discussed earlier. And as the Secretary just said, as we consume and as we know what we have consumed, then, of course, we will allocate directly to the accounts and we will keep the Congress fully informed. We do not know how the war exactly will play out in terms of specific consumption, and that is why we cannot predict exactly to what account money will go.

Secretary RUMSFELD. For example, we know what it costs to flow forces over. It—General Franks very likely will make judgments as



to which forces he wants to put in theater, which forces he does not want to put in theater, depending on how long the conflict goes, which forces he wants to use as replacement forces, so that forces that have been in the battle for a period can be flowed home. And that would vary from service to service.

We can come up with gross numbers in terms of what it is likely to be, but in terms of being confident today that you would know precisely which service would need to be reimbursed in advance, it is simply not possible.

Senator INOUE. This supplemental request will reimburse for funds expended, is that correct?

Secretary RUMSFELD. No, sir. The—it is—the supplemental that—the DOD portion of the supplemental is not the cost of the war, it is not for all that has been expended; it is for what has been expended, what has been committed, but not expended—that is to say once you take the forces over, you have got to be able to bring them back. So there is funds in here to bring them back, even though it is not expended. We think of it as committed, and for a reasonable anticipation of what will be required for the remainder of the fiscal year. It is really those three categories.

Senator INOUE. And this request will meet all the requirements of the services?

Secretary RUMSFELD. No, sir. I cannot say that. They—how this conflict will play out is not—I cannot know. I do not know anyone on the face of the earth who can know. And, therefore, it is not possible to say that it will meet—it could—it is conceivable that there will be needs that will not be met. And we would have to come back and discuss those kinds of things. But it is not—I am not saying that is the case. I just cannot promise you that they would all be met. Certainly, we would go back and meet the needs of the services in terms of the things they have expended already.

Senator INOUE. Thank you, sir.

Thank you, Mr. Chairman.

Chairman STEVENS. Thank you.

Senator BOND.

Senator BOND. Thank you, Mr. Chairman, and Mr. Secretary, and General. I hope you will convey the, as all of my colleagues do, the best wishes on behalf of the people that we serve for the military men and women who are at risk and know that our thanks and prayers are with them.

A question about, I guess to General Myers, we are reading about the Iraqi Fedayeen, Saddam, and the other paramilitary groups harassing the supply lines. Is this just mere deadly harassment, or is this going to require more time and resources to be spent on protecting the supply lines and the rear and delaying our advance to Baghdad?

General MYERS. This will not delay the execution of the plan, as laid out by General Franks. It can be, I think, characterized more as harassment at this point, and it is being dealt with appropriately, I think. I will not get into the operational details, but General Franks is taking means to deal with this group.

It is tough to characterize them because of the way they act. If you were watching TV this morning, they had some soldiers from Lawrenceville Hospital that happened to run across one of these

groups that were dressed in traditional garb, took that garb off—pretended to surrender, took that garb off when they got closer, and revealed that they, indeed, had uniforms underneath, and weapons, and, of course, they were taken care of. But I think a better description is probably regime death squads, because that is what they are doing.

They are putting guns to people's heads, the Iraqi citizens, to force them to continue to fight, when they would much rather give up, but there are enough of them where it is a bit of a—it is something that needs to be dealt with, so we are dealing with that as we speak.

Senator BOND. Obviously, there is a hope, but not broadly realized, that there will be more major units defecting. At the same time, we hear reports that these death squads are threatening anybody who seeks to desert with death. They are using the paramilitary groups. How long do you think that can last? At what point do you think we will have degraded their capabilities sufficiently that they will not be able to prevent major defections?

General MYERS. I do not know if that is knowable exactly. I think the larger population centers are probably different from the less-populated areas, certainly along the lines of communication. Our supply lines, like I said, it is not having a major impact. In fact, it is not having any impact on the supplies reaching our troops, our forward troops. We are just going to have to stay at it.

There are a lot of other pieces, and it starts to get into operational matters, and I would prefer not to talk about it here, but it is part of the overall campaign, to quickly diminish their capability. We are doing that. Hundreds of them have been engaged. Hundreds of them have been dealt with, and that will continue.

Senator BOND. Mr. Secretary, you have talked about phase four, and there is a request of some \$2.4 billion for the new flexible account for humanitarian relief to the people of Afghanistan.

In phase four, how long is the Defense Department going to be responsible for that reconstruction humanitarian aid? Is this going to be moved over to another account where we should be funding, either the State Department, USAID, or others?

#### INTERNATIONAL SOURCES OF FUNDS

It is a two-part question. The second part is, you have raised in your written statement, the concern that France is threatening to veto the Food for Peace program. How much money do you see as available from international sources to provide the humanitarian relief and reconstruction that we hope and expect for Iraq?

Secretary RUMSFELD. These are issues that are currently being discussed, and negotiated, and considered. The sources of funds include the following, at least. One is frozen assets in our country and other countries. A second source is, there is some number that is not quite clear, \$10 billion or \$12 billion in the U.N. Oil for Food accounts, some portion of which is committed to existing contracts, but the contracts were contracts entered into by Saddam Hussein's regime, and one would think that a serious review of those contracts would free up a lot of that money as well.

So if it is \$7 billion out of the \$12 billion that are committed to contracts, I would anticipate that a careful scrub of those contracts

would mean that there would be less than \$7 billion committed, and, therefore, more available.

Third, there are potential oil revenues. It looks at the moment as though the bulk of the Iraqi oil wells are not damaged and are not aflame, which is very fortunate. And, of course, those are revenues that ought to be available for the Iraqi people, and for the people of that country.

Third, there are coalition contributions. Already, countries are making contributions in the country. World Food is providing assistance. The United Kingdom has a ship, the Sir Galahad, that is off the port south of Iraq, waiting to come in as soon as they are certain that the mines have been cleared. Neighboring countries have offered medical assistance, and a whole host of things.

So there undoubtedly will be an international donor's conference to raise money, and there are a variety of places that funds can come for this.

Senator BOND. Thank you, Mr. Chairman.

Chairman STEVENS. Senator Hollings.

Senator HOLLINGS. Thank you, Mr. Chairman.

#### OVERCOMMITTED MANPOWER

Mr. Secretary, do not worry about the money. You know and I know that you are going to get the money; otherwise, rather than a money supplemental, we ought to be thinking about a manpower supplemental. We just set aside Secretary Ridge and you and Secretary Ridge are fighting over the same manpower. Last weekend with the orange alert, all our Guard was committed, all our Reserves are committed, so the poor Governor, he had to put parole officers around the Port of Charleston.

You cannot have 12 peacekeeping commitments, a war in Afghanistan, and a war in Iraq, and these long commitments, because what we are teaching them hereafter this engagement is that they will not be able to afford to serve in the Reserves, they will not be able to afford to serve in the Guard, but most particularly, Mr. Secretary, get this Administration to ask not just for the money, but how to pay for it.

The people of America are ready to sacrifice; they are ready to pay for this. I know Karl Rove thinks you need a tax cut in order to get reelected, but this is an embarrassment to this Senator. I have been in government for 50 years, and what you have me doing is telling that grunt, "We want you to go into battle, and we hope you do not get killed, and the reason we hope you do not get killed is we want you to hurry back so I can give you the bill. This generation, this Congress, this Administration is not going to pay for it. We need a tax cut so I can go to Disney World." Now that is outrageous nonsense.

So just do not ask for the money; please hurry up and submit how you folks think we ought to raise the revenue and pay for the war. Now is the time for the sacrifice.

Secretary RUMSFELD. Senator, on the people piece of it, you are right. The Guard and Reserve folks do a wonderful job, and they are critically important to the total force concept, and there are times when the call-up occurs, that some of the people in the call-up are people who do police work, or they do fireman work, and

various things that the homeland security people would like to have.

Two things we are trying to do in that connection: One is, we are trying to get people in uniform out of jobs that are not military tasks. There are so many people, men and women in uniform, who are doing functions all across this town, and around the world, that are not truly military activities, and we can fix that.

Second, we need authority, additional authority, so that we can, in fact, contract out to civilians to do certain functions. We have a terrible time, for example, trying to hire security people in the United States to protect various aspects of bases. We are required, to some extent, to use military people, or at least have been over a period of time, and to the extent we can get military people doing things that involve our core competence, and not being required to do things that are not core competencies of the military, we will be a lot better off.

Senator HOLLINGS. Thank you, Mr. Chairman.

Senator COCHRAN [presiding]. Senator Gregg.

Senator GREGG. I thought we were recognizing on the basis of seniority, which would put Senator Shelby before me.

Senator COCHRAN. I assumed you were senior, but you are not. Senator Shelby.

Senator SHELBY. Thank you.

Mr. Secretary, Secretary Wolfowitz and General Myers, I will be brief, but I want to commend you, all of you, for what you have done, what you are doing, and for your leadership. I do not believe you have asked for a blank check. You have been specific. You have asked for flexibility, and you have asked for resources you need.

I think that we need to give you all the resources, Mr. Secretary, to prosecute and win this war. We should not even blink. We should give you the flexibility that you need to finance and conduct this war.

As you said clearly in your statement, there are a lot of unknowables here. You do not know everything. There is no way to know everything, but the least I believe this committee can do, is to expedite the supplemental as fast as we can, to make sure that you have the resources to do what you do best.

That is all I want to say. I am here to support you.

Secretary RUMSFELD. Thank you very much, Senator Shelby.

Senator COCHRAN. Senator Leahy.

Senator LEAHY. Thank you, Mr. Chairman.

Mr. Secretary, I do not think either you or anybody at the White House, or it certainly was not the impression given at our meeting we had at the White House with the President and the Vice President a couple days back, no one has any question but that you will get the money for the troops in the field. We all know that. The question is, how much, when, and why?

We have Tom Ridge noted in today's Washington Post that the fighting has been a lot more ferocious than planned; it could take longer than expected. I think General Myers and the others would be the first to say that there is no such thing as a military plan where you could anticipate every single contingency. It is impossible.

We know we have the best trained, best equipped men and women in our Army, our Air Force, our Navy, and our Marines, but there are unexpected things that happen, whether it is a friendly-fire incident, or whether anything else. You will get the money.

#### WILL MORE FUNDING BE NEEDED?

What we want to know is: Is this going to go on a lot longer than may have been expected? Are you coming back in the weeks and months ahead for more fiscal year 2003 money? Do you anticipate that you will?

Secretary RUMSFELD. Senator, the people who looked at this, and they looked at the Department of State, the Department of Homeland Security, the Department of Defense, the intelligence community, and came forward with the best estimate they could. Is it going to prove out over the coming months? I do not know. Do we believe that it is the best possible estimate at the present time? Yes.

Senator LEAHY. I was looking at some of the pictures of U.S. aid arriving in Southern Iraq yesterday. I know you are committed—

Secretary RUMSFELD. I could not understand you. I am sorry.

#### HOW AID IS BEING PROVIDED

Senator LEAHY. I looked at some of the pictures of United States aid, food, and what-not, arriving in Southern Iraq. I know you are committed, the President is committed, General Myers, and everybody else is committed to getting aid there. Obviously, initially, it was rather haphazard. People were grabbing things off a truck, and so on. The desperation is obvious.

Who is in charge of the aid right now? Is it General Garner, or is it United States Agency for International Development (USAID)?

Secretary RUMSFELD. First, the aid is coming in in a variety of different ways. It is coming in directly with military forces, coalition forces, as they go into the country, are bringing food. They are bringing water that is available for people. There is not, at the moment, any evidence, any good intelligence that suggests there is a humanitarian crisis in that country.

The people have been given extra rations over a period of months now, and the estimate has been that they have somewhere between 2, 4, or 6 weeks of food, many of the people in the country.

Next, the food aid is then coming in through international organizations. World Food is bringing food in. The British have a ship standing off the port ready to bring in food, 380 tons of food.

Senator LEAHY. I do not question that, Mr. Secretary, but my question is this, some of the same people who are in the ships staying outside say, of course, they cannot move until security is adequate. I mean, who determines that? Who is—

Secretary RUMSFELD. General Franks.

Senator LEAHY [continuing]. In charge.

Secretary RUMSFELD. General Franks. It is a war zone, and it is a unified command, and it goes right up to him.

Senator LEAHY. Once he determines that there is enough security to go in, then who takes over? Is it USAID, or is it the military?

Secretary RUMSFELD. It depends on the portion of the country. If it is an area that is not secure, it is obviously under the combatant

commander and his land forces, General McKiernan. To the extent it is an area that is secure, then the land component commander would very likely turn to some of these nongovernmental organizations, and they would begin finding the ability to move in, just as they did in Afghanistan, in a secure environment, and provide the kind of food assistance, and water, and the like that is available. The British are currently running a pipeline from Kuwait into Iraq to provide water, for example.

#### HUMANITARIAN OR RECONSTRUCTION AID FOR AFGHANISTAN

Senator LEAHY. You mentioned Afghanistan. We have money in the supplemental, I noticed, for a road repair project for the Afghan National Army, and I believe that is important. There is nothing for humanitarian or reconstruction needs in Afghanistan. There are thousands of displaced Afghans. I know in the fiscal year 2003 budget, there was no request for foreign aid for Afghanistan.

Should there not be something in the supplemental if you have all of these hundreds of thousands of displaced Afghans? Do you plan to ask for humanitarian or reconstruction needs, other than the road and the Afghan National Army?

Secretary RUMSFELD. That side of the activity in Afghanistan is being handled through the embassy and through the Agency for International Development (AID). And whether or not they requested funds, I just simply do not know.

Do you know?

Dr. ZAKHEIM. I am not aware. I do know that——

Senator LEAHY. There is nothing in this budget that I could find.

Dr. ZAKHEIM. Well, I do know—I was just at the donor's conference about 10 days ago in Brussels. We are still the leading individual country, in terms of donations. There was \$900 million for 2002 and 2003, combined. We are exceeding what we had promised, and we are still very much expending, as we promised we would.

So it is not just a matter of what is in the supplemental, Senator; it is what has been requested over the last couple of years. These are just additional projects and additional activities over and above what we have already committed.

Senator LEAHY. Well, last year, nothing was requested. Senator McConnell and I found money and put it in.

Thank you, Mr. Chairman.

Senator COCHRAN. Thank you very much.

Senator Gregg.

#### WHAT BUDGET FLEXIBILITY IS NEEDED

Senator GREGG. Mr. Secretary, I was wondering if you could review again for us this issue of flexibility and what the scope of it is, and why you feel it is important, and the time frame that it would—is timed obsolescence tied to it? Is it tied to the war, or is it——

Secretary RUMSFELD. I am sorry. I am having trouble hearing you.

Senator GREGG. Is it a permanent authority, you want, and what is the scope of it——

Secretary RUMSFELD. The authority runs——

Senator GREGG [continuing]. And why is it important?

Secretary RUMSFELD. The authority runs to the supplemental, and it ends in the fiscal year, as I understand it. The reason it is needed is that we have committed a large number of forces. They are still flowing into the region. They will be used in different ways, depending on decisions made by the combatant commander.

We need the flexibility to move money between services and between accounts, so that we could reimburse those people who actually expend the munitions. For example, we do not know which munitions will be expended at what rates, but we do know they are expending munitions at a high rate, and they vary. So what we need to do is to be able to have the money, and be able to reimburse the services that have used those capabilities. The same thing is true with fuel. The same thing is true with the timing that they are there.

To give you an example, we mobilized a lot of Reserves and Guard. We are going to be stopping that mobilization at some point. The decisions by the Combatant Commander as to what forces he wants to have there at any given time, and what forces he can flow back to the United States and demobilize, are questions that are not currently decided; therefore, one cannot know which accounts need to be used for those longer periods or for the shorter periods. Therefore, the flexibility is absolutely critical, and there is not any way to diagram it out.

#### TIME FRAME OF SUPPLEMENTAL REQUEST

Senator GREGG. Thank you. In the area—you used the term, this request reasonably anticipates for what will be needed to the end of the year. So I am presuming it anticipates what is needed to the end of this war, because I—whatever your time frame is, I presume that it is shorter than the end of the year.

Secretary RUMSFELD. No, sir. There is anticipated that there will be costs after the kinetic aspect of the war ends, and what numbers of forces would be needed would depend on a variety of unknowables, how many other countries will offer forces and assist, how many other countries will offer financial assistance, how long will it actually take, as you bring down the number of forces that are there for the combat portion and assist in the stabilization, and the transition to an Iraqi national authority.

Depending on how the war ends, it could affect how long a stabilization period there would be. So it is entirely possible that—I do not know in your using the word “war” you meant the entire process, but I assumed you did mean the entire process, and, therefore, I would think there would be costs next year that would relate to Iraq that would run into the next fiscal year.

Senator GREGG. I was more focusing on the conflict period versus the reconstruction period, but I appreciate the answer.

To what extent will the revenues that might be energized from the oil that is there be used to reimburse the costs of reconstruction?

#### RECONSTRUCTION RESPONSIBILITIES

Secretary RUMSFELD. I do not believe that the United States has the responsibility for reconstruction, in a sense. What we have is

a responsibility to get that country on a path that it has a representative Government that fulfills the standards that General Myers outlined.

We want to participate in reconstruction. Other countries will want to participate in reconstruction, and the funds can come from those various sources I mentioned; frozen assets, oil revenues, and a variety of other things, including the Oil for Food, which has a very substantial number of billions of dollars in it.

#### CEASE FIRE INITIATIVE

Senator GREGG. Do you expect a diplomatic initiative? I understand there is one coming forward from some of the Arab states, supported, I guess, by France, and it appears even tacitly supported by General Secretary Annan to go to the United Nations, and attempt to initiate a cease fire prior to our believing it is in the interest of our forces to have a cease fire? Do you expect that type of diplomatic initiative to occur? And if you do, or anything similar to that to occur, what is your reaction to it?

Secretary RUMSFELD. I have no idea what some country might propose, but there is not going to be a cease fire.

Senator COCHRAN. Senator Mikulski.

Senator MIKULSKI. Thank you very much, Mr. Chairman, and to you, Mr. Secretary and General Myers. Like my colleagues, I want to express our support to you, and to the troops who are fighting, and in harm's way today.

That essentially takes me to my question, because I want to support them not only with words, but with deeds, to make sure that they have the best weapons and the best support that they can. This then takes me to morale, to pay, and to military families, which I am not sure is in the supplemental; we are taking a look at it.

#### HELPING MILITARY FAMILIES AND MOBILIZED RESERVISTS

Mr. Secretary, we face a very significant issue in the sense that as we mobilized our active duty, we mobilized our Reserve, and our National Guard, and since September 11th, those units have been mobilized more frequently and for longer periods of time, and many right now are in the desert sands of Iraq.

My question to you is that the families, because the families are facing hardships—we are now hearing stories in Maryland of a small-business man who because he has been called up so many times, and is now overseas, they have had to close their business; they have gone through their education funds; they are now living with parents and relatives. And I could go through any number of case examples, where, as National Guard people and Reserves, they were prepared to be called up, they were prepared to serve their country, but they were not prepared to be a part of a regular force called up several times, some three to five times since September 11th, and be away from their homes for more than 200 or 300 days.

My question to you is: What is the United States Government and the Department of Defense doing to think about how to help those military families? We are working to close the gap in supporting the regular forces. We agree, no marine, soldier, or sailor's



family should ever have to even think about being on food stamps again, but we are now facing that problem with the National Guard and with reservists, and I really seek your advice, I seek your assistance, and you may seek my support to deal with this compelling issue.

Secretary RUMSFELD. Thank you, Senator. There is a substantial amount of money to pay for required military and civilian personnel in this supplemental. Normal pay and benefits, of course, are in our annual budget, but the supplemental is important, from that standpoint.

There is one other thing I should say, which is that all of these people, of course, are volunteers, and you are right, some of them have been called up more often than others, and the reason for that is two-fold. In some cases, a lot of people have volunteered to be called up. They have said, "Put me in the front of the queue, because it fits my life, I want to do it, and I am willing to serve."

Others, through decisions that were made decades ago, are in activities and skill sets that only exist in the Reserves, and we have to fix that. Those people keep getting called up every time there is a Kosovo, or a Bosnia, or an Afghanistan, or a—

Senator MIKULSKI. Well, while we are fixing that, though, what about the fact that, again, if they have been called up frequently, or for long periods of time—and, again, no one is talking about shirking duty. They know when they joined the Guard or stayed with the Reserves that they could be mobilized. But what about the financial gap facing families? Have we looked at that?

Dr. ZAKHEIM. In fact, that is why we have \$3.8 billion in this supplemental for the Reserves, another \$3.1 billion for the Guard.

I do know exactly what you are talking about. My neighbor around the corner has three kids. The oldest is five. My neighbor has been away for a year, and he almost went away for two, but he is exactly in the kind of specialty that the Secretary was talking about, things like civil affairs, some of the medical specialties.

Those are things that if we do not have in the Reserves, we just cannot do. We will not have the capability, but—

Senator MIKULSKI. But what do you have in there to help his family?

Secretary RUMSFELD. As I said, we have, for the mobilized Reserve forces, \$6.9 billion.

Senator MIKULSKI. But would you be looking at, say, extra money for people who have been serving more than 200 days, more than 400 days?

Secretary RUMSFELD. I would have to get you an answer for that for the record.

[The information follows:]

The DOD's supplemental request includes \$6.9 billion for reservist pay and allowances. Included in this amount, above the reservist basic pay, are several other benefits, such as Family Separation Allowance (FSA), Imminent Danger Pay (IDP), and health benefits for the mobilized reservist and their families. FSA currently averages \$100 per month and IDP currently averages \$150 per month.

The DOD's supplemental request does not include extra money for reservists who have been serving more than 200 days, more than 400 days consecutively. On October 8, 2001, the Department suspended certain PERSTEMPO management processes in the national security interests of the United States. The accumulation of deployed days for the purposes of determining eligibility for high deployment per diem (HDPD) was suspended. The HDPD accumulation period started on October

1, 2000, and this suspension was effective before any individual could possibly have accumulated the minimum of 401 days out of the preceding 730 days to be eligible for payment of HDPD. By policy, the Services continued the tracking and reporting requirements.

Senator MIKULSKI. Because I think we need both the money and a framework for doing it, while dealing with the long-range issues of skill sets that the Secretary has indicated. Be careful with contracting out, Mr. Secretary.

Senator COCHRAN. Senator, your time has expired.

Senator MIKULSKI. I had a rent-a-cop defending my office, and he was asleep from 10 o'clock every morning until lunchtime. I hope National Security Agency does not face what we did.

Senator COCHRAN. The Senator from Texas.

Senator HUTCHISON. Thank you, Mr. Chairman.

#### MILITARY CONSTRUCTION IN THE SUPPLEMENTAL

Mr. Secretary, as chairman of the Military Construction Subcommittee, I am, of course, interested in that part of your request, and I do understand the need for flexibility. I want you to have that, because I know that you might not be able to anticipate an added runway, or a taxiway, or an apron, and you need to be able to do something quickly, and pay the foreign government, if that is the case; however, I do also want to ask that you notify us, and make sure that we do stay in the loop, so we know where our military construction dollars are going.

We have been concerned that maybe the operating and maintenance has been used for construction projects, and we want to make sure that we are staying on top of the military construction needs that you have, and also make sure that we do the job right for the military.

So I am going to submit some questions for the record, particularly about some runways, and taxiways, and some aprons to make sure that we are current in the request, and also the part about the additional temporary facilities at Guantanamo Bay. You and I visited Guantanamo Bay, along with Senator Feinstein, my Ranking Member, and I thought you did an excellent job in a very short time at equipping Guantanamo Bay.

My question, though, is, should we not start doing something more permanent there, if we are going to have the need for those facilities, rather than continuing the temporary construction of more temporary facilities?

Secretary RUMSFELD. Well, first, Senator, I am told that we have a briefing prepared on military construction with respect to this supplemental that should be available in a day or two. Second, with respect to Guantanamo Bay, I am so respectful of the taxpayers' dollars that I am resisting anything permanent down there at the present time, and I have not seen anything that has persuaded me that we ought to make dramatic changes.

We are in the process of trying to have countries that the people in Guantanamo Bay are nationals of take some of them and house them themselves. And to the extent we can manage the numbers, and not get too many people down there, I would feel better about the whole thing. So we are working the problem, and they have had to make some incremental improvements since we were there.

They needed more locations that involved solitary confinement for hard cases, so that the interrogation process would work better.

Senator HUTCHISON. Well, we wanted to be very supportive, and I know that you are watching the taxpayer dollars as well. I just wanted to make sure that we do not keep doing temporary things if it is going to be long-term, and we want to do everything that we need to do to maintain the security requirements for keeping those prisoners.

#### FOREIGN BASES

My second point would just be—and I do want to see the briefing on the military construction part, because we want to stay current on that. But we will be working with the Department on the foreign military construction part of our responsibility, because we are concerned that with all of the changes in priorities, and even troop strength in overseas basis, that we not obligate dollars that may not be necessary even 2 years from now, much less 10, and we will be working on that down the road. But I want you to know I am very insistent that we know what our foreign needs will be for the long term, before we spend fiscal year 2004 dollars, and I think we need to start looking at our foreign base changes, in light of a potential 2005 base realignment and closure (BRAC) in America, in case we are bringing troops home that would not have been anticipated a year or so ago.

Secretary RUMSFELD. I agree completely. There is no question but that we are looking at our global footprint. The world has changed. We are going to be making adjustments in our bases here in the United States, and we certainly are going to be making adjustments in our bases overseas, and it is important that we not pour a lot of money in in this interim period prior to those decisions being finalized as to how we can best be arranged going forward in this 21st century.

Senator HUTCHISON. Thank you.

Thank you, Mr. Chairman.

Senator COCHRAN. Thank you very much.

Senator Murray.

#### RESPONSIBILITY FOR RECONSTRUCTING IRAQ

Senator MURRAY. Yes, Mr. Secretary. Thank you very much for being here today. The President outlined to the American people that the Iraq war and Iraq's future will have broad benefit for our country and for the Middle East, and your comment a moment ago about our responsibility to reconstruct Iraq sort of puzzled me. Does not the President's larger objective for the Middle East, and for our relations with the Muslim world and for the war on terrorism require us to have a long-term commitment to reconstruction in Iraq?

Secretary RUMSFELD. Sure. I hope I did not say anything that left the contrary impression. There is no question but that I was referring to the military side. We feel we need to stay there as long as it is necessary, but not any longer. Conversely, if you talk about the United States and the international community, we have to have an interest, and we have to see that that country gets put on

a path towards some sort of representative government and that it is not going to threaten its neighbors.

There is no question but that if that is successful, as I believe it will be, that the economic circumstance in the region will be vastly better for Turkey, for Jordan, and for the other countries in the region.

Senator MURRAY. Your term of putting it on a path concerned me. It sounded like we are going to put it on a path, and walk away.

Secretary RUMSFELD. No. No. I do not mean to suggest that at all.

Senator MURRAY. Well, then, are we working with the coalition of the willing, however, 60 countries, whatever, involved, to get these countries to join the American taxpayers in paying for this reconstruction?

Secretary RUMSFELD. We are, indeed. Dov Zakheim has been our, kind of, the lead person in helping to raise money, and not just money, but in-kind contributions, and he has worked hard on it, and the Department of State has worked hard on it. They are sending out cables, and responses are coming in, and nations are stepping forward.

Senator MURRAY. Are we going to work through the United Nations to get those commitments?

Secretary RUMSFELD. I have no doubt in my mind that the United Nations will have a role. I just do not know what it is. I know that France has indicated they would prefer that the United Nations not have a role, but I do not know what that would mean.

Senator COCHRAN. Do you want to comment?

Dr. ZAKHEIM. Yes. We have already—I am working alongside my counterparts, Alan Larson, at the State Department, the Under Secretary there, and Under Secretary John Taylor of the Treasury, and senior officials at AID and other departments. We are working together, reaching out to a number of countries who have been very positive about their willingness to contribute to reconstruction after the conflict.

We do not know, as the Secretary just said, where the United Nations will be on this, but our intention is to reach out, not just to individual countries, but to international financial institutions, to the European Union (EU), basically to anyone who is willing to help.

Senator MURRAY. I appreciate that.

#### NEW HEALTH CARE TECHNOLOGIES

Let me ask you another question. We have seen a lot of the news reports about the new health care technologies that are being deployed in Iraq, and I think that is very impressive to many of the families who are watching their sons and daughters, spouses, over there. Can you talk about some of those new health care technologies, and specifically whether this supplemental request contains sufficient funding to speed care for our military?

Secretary RUMSFELD. I do not know what is in the supplemental on that subject. I know that the Armed Forces have made significant progress in a variety of different ways. Number one, of course, and the most important, has been the ability to remove people from

the battlefield very promptly and get them into an environment, health care environment that is as fine as can exist.

A second thing they have done is they have made advances in techniques that can be used on the——

Senator MURRAY. I was talking about the technologies, the new technologies.

Secretary RUMSFELD. Here is one—the skin exposure reduction paste is an example. We could provide you a list of some of these things that have been done.

[The information follows:]

The following new medical care products have been introduced into the theater in support of Operation Iraqi Freedom:

- Oxygen Generation*.—Two products with pressure swing absorption technology were procured to reduce the sustainment and transportation requirements for medical grade oxygen.
- Hemostatic Dressing (Fibrin Bandage) and Chitosan Bandage*.—These two separate bandages, which use differing technologies, provide a means to control hemorrhage early, far forward near the point of injury.
- Portable, Hand Held Ultrasounds*.—The rapid reduction in size and weight of this diagnostic tool allows it to be deployed farther forward (Forward Surgical Teams) thereby enhancing medical diagnosis, sometimes avoiding surgical or invasive interventions.
- One-handed Tourniquet*.—This simple, ratchet tourniquet will allow the injured soldier to self-control bleeding.
- Litter for Surgical Transport and Treatment (LSTAT)*.—This platform has had limited deployment to provide state of the art, life support functions during longer evacuation legs.
- Skin Exposure Reactive Protectant Against Chemical Warfare Agent (SERPACWA)*.—This cream provides additional barrier skin protection on those areas of the body with the highest risk of exposure to persistent chemical agents.
- Computed Radiology*.—This technology allows for digitization of radiographic images to alleviate the need for x-ray film processors, chemical developers, and film, plus adds the ability to do remote diagnostic consulting. This includes products for medical and dental x-rays.
- Warmer Blankets*.—These new blankets provide improved temperature regulation of patients.
- Chem-Bio Analyzers*.—Two levels of analyzers were procured to support echelons of screening for the existence of chemical and biological agents.
- Hetastarch*.—This volume expander provides life supporting resuscitation at the point of injury or anywhere along the patient evacuation.
- Medical Informatics—Medical Communications for Combat Casualty Care (MC<sup>4</sup>) (ASPB)*.—Several software packages coupled with applicable hardware have been fielded to provide patient encounter data (digitized patient record), medical surveillance and trend analysis, and basic logistical automation (set management and orders).
- Quick Clot Hemorrhagic Bandage*.—To stop uncontrolled bleeding, included in a new first aid kit for the Field corpsman (14,000 of these dispensed in theater).
- Forward Resuscitative Surgical Systems (FRSS)*.—Mobile, small footprint surgical systems that allow for immediate, stabilizing surgical capability in the forward combat areas (6 of these systems currently in theater).
- Enroute Care Capability*.—These systems are integrated into Marine Corps ground vehicles or aircraft to allow for the seamless transfer of patients from the field or the FRSS to a higher echelon of care (24 complete systems in theater).
- Digital Radiology*.—Alleviates the need for x-ray film processors, film, chemical developers, etc. Images can be loaded on a laptop for viewing or for transmission to the rear for specialty consultation (Marine Corps has 40 of these units—12 are currently in theater).
- Polymerase Chain Reactors (PCR's)*.—A new application of an established technology that is being employed on the carriers for Biological Agent Identification (one per carrier).
- Dental Back Packs*.—Lightweight, mobile, small footprint equipment sets that allows for acute dental care to be provided in a far forward setting (30 of these in theater).

- New NBC litters.*—New Tri-fold portable mesh litters that allow for decon to be conducted on the litter (Marine Corps has 2000 in theater).
- POGS.*—New Patient Oxygen Generation Systems being utilized by the Marine Corps in the field setting to reduce the sustainment and transportation requirements for containerized medical grade oxygen.
- Angiography Suite.*—USNS COMFORT just installed on board. Even though this is not necessarily new technology, it is a new capability that is being studied in the hospital ship setting.
- WHSQ Antenna (T-I Connection).*—Installed aboard USNS COMFORT. Not necessarily new technology, but new capability that will enhance the ability of the hospital ship to communicate with the fleet and the field units and enhance the capability of the ship to consult through telemedicine technology.
- Hand Held Ultrasounds.*—A new capability that is being used aboard USNS COMFORT as a diagnostic tool.
- CHCS-NT and SAMS.*—Preloaded (new capability), onto Deployed Fleet Hospitals, prior to deployment to augment their ability to manage their patients in the field. This is related to clinical, pharmaceutical, blood program, and laboratory applications. In addition, a new capability that was provided to the Fleet Hospitals was the software for TRAC<sup>2</sup>ES which allows the tracking and entering of patients into the medevac system.
- Hand-held Biological Warfare Detection Assays.*—Capable of detecting more than 20 different agents. Assays were subsequently provided to field units and transitioned to DOD for the Joint Program Office for Biological Defense. Its anthrax DNA-based assays have become the national standard, used by the CDC and the Laboratory Response Network for Bioterrorism.
- Sophisticated Biological Warfare Detection Laboratories.*—Installed on large Navy ships supporting Operation Iraqi Freedom, and installation of basic labs aboard all Navy ships in the area. This accounts for the majority of bio-detection capability in the area. Training programs, analysis plans, doctrine and procedures were also developed to appropriate use of labs.
- Expeditionary Surveillance Modules with Integration.*—Being used at AFMS EMEDS locations.
- Advanced diagnostics (microarray chips and PCR probes).*—The RAPIDS units are deployed with the 10 Biological Augmentation Teams not necessarily with EMEDS units—microarray chips purchased and coming for DT&E testing very soon (also includes part of the SARS Corona virus).
- IM/IT Improvements.*—The USAF deployed specialized IM/IT trouble shooting teams. Help Desk support was enhanced for current operations.
- TRANSCOM Regulating And Command & Control Evacuation System (TRAC<sup>2</sup>ES).*—A patient movement system that is currently deployed.

Senator MURRAY. All right. I would appreciate that. I would like to know what is in the supplemental on that.

One final comment in my last few seconds here. I think we are all very disturbed by the images of the prisoner of war (POWs), and I know their families here in this country are really—there is a lot of anxiety, and I really want to urge you to communicate with these families, stay in touch with them. I know you are doing some of that, but I think that is extremely important. But I just wanted to ask quickly if you could update us on the efforts by the International Red Cross to see these POWs, and whether or not we have had any progress.

Secretary RUMSFELD. I do not know what the status is of the International Red Cross's ability to get access to our POWs. I know that we have contacted the International Red Cross and encouraged them to take a look and visit the now more than 4,500 prisoners of war that have been taken by coalition forces, and that are currently in camps in Iraq just behind the battlefields.

Senator MURRAY. How about our POWs, Mr. Secretary?

Secretary RUMSFELD. As I say, I do not—to my knowledge, the International Red Cross has not yet been successful in gaining access to them.

Senator MURRAY. I would just encourage you to stay in close touch with our families here who are watching news reports with a great deal of anxiety.

#### CLARIFICATION OF IRAQ CEASE FIRE ANSWER

Secretary RUMSFELD. Mr. Chairman, may I ask a favor here? Since there was—I may have answered an earlier question so cryptically, or briefly, that there might have been a misunderstanding.

When Mr. Gregg asked me about the efforts on a cease fire, Senator, I gave you a short answer that there would not be a cease fire.

Senator GREGG. I thought it was an excellent answer.

Secretary RUMSFELD. What I want to just underline, in case there is any misunderstanding about that, at some point the war will end, and it will end at that point where that regime does not exist and a new regime is ready to go in its place. And at that point, there will be something of a cease fire. You were referring to the suggestions of a premature cease fire, and that is what I meant to say that would not happen.

Senator COCHRAN. Thank you very much.

Senator DOMENICI.

Senator DOMENICI. Thank you very much, Mr. Chairman.

#### WHAT WILL HAPPEN IN BAGHDAD

Mr. Secretary, I do not know if this question has been asked. I have been at another hearing where I had to preside. We keep hearing, and I keep watching, and it is being said that we are moving toward Baghdad. We soon will be in Baghdad, and I will add to it now, and we will arrive at Baghdad.

What will happen then? Baghdad is a great big city, is it not? What do we do when we arrive at Baghdad? Do we have a city six times the size of Basra that we have to do what we did there, or what do we expect?

Secretary RUMSFELD. Well, we have an example of that problem taking place right now in Basra. Basra is probably the third or the second—third after Mosul, or second ahead of Mosul.

Senator DOMENICI. I said that, but I said it wrong. I said we have already been there, and it is much smaller, and we saw what happened there. So now I am asking, what is going to happen at Baghdad? Is it going to be similar to that, or some other situation?

Secretary RUMSFELD. It depends on whether the regime is still intact, but the answer is that what one has to do is first isolate it. There are in the City of Basra, just as in the City of Baghdad, there are Shia, and they are not terribly favorable to the regime. They have been repressed, and they are at the present time in Basra assisting us, and if you think of Baghdad as a city of 5-plus million people, and you think of the population of Shia, and there are probably 2, 2½, maybe 3 million people of the 5 or 5½, the regime has tended to be fearful of them and repress them. And my guess is that what we will see are these death squads, the regime death squads, in Baghdad, doing what they are doing in Basra.

They will very likely have weapons out. They will shoot people who try to surrender. They will shoot people who try to assist, and we will go through a period where we have to deal with that prob-

lem. We will put in strikes as necessary. We will undoubtedly get assistance from people inside the cities, and we will attack them, and subdue them.

Senator DOMENICI. So when it is said that it might take considerably longer than expected, it might be that it is that kind of thing that we are talking about; how do you get from the outskirts of Baghdad, through the outskirts, to where you want to be to eliminate the regime? That is what might take a long time, is that correct, Mr. Secretary?

Secretary RUMSFELD. It could take some time. The forces, the coalition forces have moved from outside the country to within 50 miles of Baghdad in a week. The progress has been substantial. They now have to face the more difficult forces, the Republican Guard, and then the next phase after they have been destroyed or surrender will be to deal with Baghdad.

Senator DOMENICI. Well, I am complimenting you. They moved fast, and moved quickly. I am suggesting that my observations, just as a halfway-informed citizen, is that once you have arrived at Baghdad, that will probably go slower, but let us just leave that alone. You have answered as best you can, and I thank you for it.

#### IRAQI REPUBLICAN GUARD FORCES

I am wondering about the so-called Republican Guard. Incidentally, as a Republican, I wonder why they call it that. I had to tell some of my children that they were no kin of the Republican party.

In any event, let me ask, with reference to the two major Iraqi divisions, I have heard and seen evidence that they are not conducting themselves the way they did in the first war during Desert Storm. They are not taking a position with armored tanks and moving on American Forces with a great number of tanks. They are isolating the tanks and putting them in shelters, and the like.

My question is, are we going to be able to fight those divisions in a major manner, or are we expecting that it will be all broken up in pieces, and which would be better for our men and women?

Secretary RUMSFELD. Well, Dick Myers, you may want to answer it. But I mean, the first choice is for them to be moving. They are easier to get at. At the present time, they have tucked back towards Baghdad somewhat, but now they are in deployed positions, as you indicated. And what will happen is, they will get degraded from the air, and then attacked by coalition forces.

General MYERS. I do not know if we should go into much more operational detail, but the Secretary is exactly right. They are dispersed. They are dug in, for the most part. When they move, we try to hit them. We are bringing a lot of force against them to include our Apaches and our fixed-wing air, having some effect, we think, in degrading their combat capability. And at some point, at a time of our choosing, we will engage them, and we will see what kind of fight they have.

Senator DOMENICI. Mr. Secretary, could I just say with reference—

Chairman STEVENS [presiding]. Senator, your time has expired. I am sorry to tell you that. I have just received word from the White House that they are expecting the Secretary to be there.



Mr. Secretary, Mr. Kohl was bypassed by me by mistake. I would hope that you would answer Senator Kohl's questions, and then we will terminate your appearance, and continue to have the hearing with Secretary Wolfowitz and Secretary Zakheim.

Senator KOHL. Thank you, Mr. Chairman.

#### IRAQ RELIEF OPERATIONS

Mr. Secretary, as Ranking Member of the Agricultural Appropriations Subcommittee, I have concerns about the lack of specificity in the supplemental request for food aid to the Iraqi people. There is \$8 billion for relief, but the request is vague about how that \$8 billion will affect ongoing food aid efforts, including our work in Africa.

The World Food Program has said that providing assistance to Iraq could well turn into the largest humanitarian operation in history. While I understand that supplies have started to trickle in, I would like to hear more about our plans to address this crisis.

Given the resistance that has been encountered so far in Iraq, and the problems with the weather, are we concerned, Mr. Secretary, about a humanitarian crisis, as the United Nations seems to be? And, if so, do we have backup plans if the resistance continues, and food and water shortages become critical?

Secretary RUMSFELD. Well, sir, we do not have any intelligence that would fit the words you have used of "crisis and critical," but there is no doubt but that there are places where the water is not right, where some lines have been broken. And we have trucks going in providing water, and the United Kingdom has put a water line from Kuwait into the port, and they are bringing water in.

The number of refugees has been very, very small. There have been—people have speculated it could be a humanitarian disaster, and hundreds of thousands, as in previous times. Thus far, the numbers are very, very small.

Second, with respect to food, the question you raise is not part of our supplemental. It is part of the Department of State's, I believe, supplemental, and I would have to leave the answer there.

But the forces, coalition forces have brought food and water and medicine in. The fighting forces have brought food and water and medicine in from day one. As each area is pacified, and made more secure, additional food and medicine and assistance is flowing in.

I think that to suggest that there is a humanitarian crisis at the present time, I think, is not something we have been able to find any intelligence to support.

Senator KOHL. Well, I am glad to hear that, and, of course, we all hope, indeed, that that turns out to be the case.

#### INTERNATIONAL CONTRIBUTIONS

Mr. Secretary, in the first Gulf War, as you know, 80 percent of the dollar costs were paid by our allies, and we are hearing constantly and happily every day about more and more countries joining our coalition. The supplemental request includes \$1.4 billion to help our coalition partners, but there is no detail on what their contribution to this effort may be. Do you have any comment on either what has been contributed or what you would hope will be contributed to this effort?

Secretary RUMSFELD. There is a long list of countries that have made contributions in terms of forces, and ships, and medical supplies, and food, and various types of assistance. I do not happen to have it with me, but it is a long and growing list.

Second, there will be a donors' conference that will go out and solicit funds from other countries. You are quite right; a major portion of the Gulf War in 1991 was paid for. One of the principal countries was the country that had been invaded, Kuwait. A second country was Japan. I am sure that other countries will be making contributions. Dr. Zakheim has been kind of a lead person soliciting.

Senator KOHL. I thank you.

Thank you, Mr. Chairman.

Chairman STEVENS. Thank you.

Mr. Secretary, thank you, and General Myers, thank you. I have been informed that the reenlistment rates are up. I think that is a testimony to the leadership that you are providing, and your men and women in uniform are providing. You have inspired our younger generation to volunteer in such great numbers. Thank you very much.

With your permission, we will continue on with Secretary Wolfowitz and Secretary Zakheim. There are Senators who have not had their questions answered yet, and it is my intention to continue through until all of those get a chance to have their questions answered.

Senator MURRAY. Mr. Chairman, can we ask if Secretary Ridge is going to be returning here?

Chairman STEVENS. I was just going to go into that. Secretary Ridge has a meeting downtown. He will be coming back at 3:30 p.m. We have a series of votes starting at 2 o'clock, so it will be my intention to ask Secretary Wolfowitz and Secretary Zakheim to stay here now to answer the questions of the five remaining Senators, and then we will recess until after the votes that take place. I think that will be approximately the time that we will have Secretary Ridge returning at 3:30 p.m.

Senator FEINSTEIN. Mr. Chairman?

Chairman STEVENS. Yes, ma'am.

Senator FEINSTEIN. I would just like the Secretary to know that 95,000 of the troops serving in Iraq at this time are from California, and I want you to know that I have not had a single complaint from anyone. I am beginning now to sign the letters and learn about those who have been killed. I must tell you, it is a very emotional experience to do that, but I am very proud of the Californians. I believe by far it is the largest complement of Americans over there, and I just wanted you to know that.

Chairman STEVENS. Thank you very much.

Thank you very much, Mr. Secretary—

Secretary RUMSFELD. Thank you, Mr. Chairman.

Chairman STEVENS [continuing]. General Myers.

General MYERS. Thank you, sir.

Chairman STEVENS. Secretary Wolfowitz, we welcome you at the table. The next person, I believe, is Senator Bennett.

Senator BENNETT. Thank you, Mr. Chairman.

I must, in the tradition of the Senate, point out that the State that has the largest percentage of its Reserves called up is the State of Utah. We are equally as grateful for the kind of leadership you have provided.

#### HOW COSTS WERE ESTIMATED

Now, Mr. Secretary, I know that if you ask for a specific number on the cost of this war, the answer is that that is unknowable. Things are constantly changing, and they are constantly in flux, but you came up with a number which was the basis for the White House's request. Can you give us just a quick glimpse into the methodology of how you came up with this estimate, what things you took into account to try to give us the most accurate guess you possibly could?

Dr. WOLFOWITZ. Let me try to do it, and I think General Cartwright may be able to help me on this, but it is a very, very complex process that involves an enormous amount of judgments by individuals, very frequently military judgment, based on what they know from past experience, based on what they can guess. And I emphasize it is a guess from examining General Franks' plan as to what kinds of forces might be needed, how long they might fight, how many targets they might have to destroy, what the requirements for stabilization afterwards might be, and it is such a complicated and diverse process that it comes back to the point about why it is so important to have flexibility.

In each case, you are making a guess, you may be making a guess at how much you are going to have in additional pay for Army forces or Marine forces. You will be making a guess at how much money you are going to need for precision-guided bombs for the Air Force, or how much money you are going to need for fuel for tanks.

Some of those guesses are probably going to be high, and some of them are probably going to be low, and if you do not have the flexibility to move money from the accounts where you have overestimated into the accounts where you have underestimated, the net result is you are going to have to come in with a much higher number. And the reason we feel reasonably comfortable that this is a number that gets us through the end of the year, although even that you cannot say with confidence, is because we believe that the Congress will give us that flexibility to move from one account to another.

In no way is this an attempt to try to evade the Congress's absolutely appropriate requirement for oversight. All of this money is going to be spent for the purposes which are very clearly identified, in support of a campaign plan which, on a classified basis, we can brief you in some detail. But at the end of the day, there is a great deal of guesswork and sound military judgment that has to go into calculating things like ammunition expenditure rates, or tank miles for a combat engagement, or how many combat engagements there will be. And that kind of guesswork is inevitably going to be high in some cases, and low in others, and sometimes it will hit it just right on the mark, we hope more often than not.

Senator BENNETT. Well, not to trivialize what you said, it sounds like what you learned in statistics class in college about the law of compensating errors.

Dr. WOLFOWITZ. It is exactly that, Senator.

Senator BENNETT. Guess one high, and guess one low, and I think you have made a case for the flexibility.

Thank you, Mr. Chairman. That is all I have.

Chairman STEVENS. Thank you.

Senator Dorgan.

#### TIMING OF SUPPLEMENTAL REQUEST

Senator DORGAN. Mr. Chairman, thank you. Mr. Secretary, there are many uncertainties in the appropriations process in Congress, but I think the one certainty, now especially, is that when we send our soldiers to war, Congress is going to provide the resources that are necessary. I say that only because the Secretary testified that because of difficulties in this regard he needs additional authorities. Senator Byrd has made a valid and very important point about that.

My sense is that, for example, the request for \$62 billion in supplemental appropriations, and the request that we complete our work on this in 2 weeks and send the bill to the President for signature in 2 weeks, is a suggestion that no one really needs much additional authority. The Pentagon just needs to determine what the costs are reasonably, send them to us, and they will see a Congress that is willing to support the troops in the field.

The choice of when you have sent to us a supplemental request was yours. You have apparently spent \$30 billion out of the \$62 billion already. I was wondering why 2 months ago, or 3 months ago we might not have seen a request, because the lift of the soldiers halfway around the world is extraordinarily costly, but you all have decided for your reasons—and they are satisfactory to me, by the way—to ask us for this request now, and I think the Chairman has said we will try to make sure this is done in 2 weeks.

My point is that, I think whether it is 2 months from now or 10 months from now, if you have additional needs, and send us an additional request, I believe Congress will respond expeditiously to that, without the authorities that are being requested, unwisely in my judgment, along with the supplementals.

So is there any reason to suspect that you will need the authorities because you would not receive the appropriate response from Congress to support the resources needed by our troops?

Dr. WOLFOWITZ. I think we know that the process of appropriating a supplemental is a time-consuming and difficult process. I must say I appreciate very much, I know the troops in the field appreciate very much, the obvious willingness that Congress expressed very clearly today to support them and to try to move this as quickly as possible, so the funds can be on the way.

It is a cumbersome process. It does not lend itself to the kinds of immediate requirements for funding, to pick some examples from last year, as the Secretary mentioned, to train the Afghan National Army. I mean we lost real time in getting the Afghan National Army stood up and trained, which is a critical function to helping our people get out of their tasks. We certainly do not want to see

that slow up when it comes to discovering that we may have overfunded a personnel account, but underfunded an account for bombs and bullets.

The Congress really has full transparency. And on a classified basis, as I said, we are happy to go through line by line and tell you what our guesses are, but they are fundamentally guesses and will come out more or less in the right ballpark. If we do not have the flexibility to move from one account to another, we are going to need a much larger total sum of money.

Senator DORGAN. I understand that some of these are very difficult to predict, but my point was that \$30 billion of the \$62 billion has been expended. I mean I think Congress would have been willing 2 months ago, for example, to have begun a supplemental. But having said all that, I think—

Dr. WOLFOWITZ. Senator, just to be precise, it is expended or obligated. It includes in the \$30 billion, for example, the estimates of the costs of bringing troops back, but we do not know exactly which troops are going to come back, or in which sequence. We do not know whether it is going to be an Air Force account, or an Army account, or a Marine account. So even within that \$30 billion, there is a fair amount of guesswork going on.

Senator DORGAN. I understand. So that is not necessarily expended, expended or obligated, you are saying.

Dr. WOLFOWITZ. Correct.

Senator DORGAN. But let me make—

Dr. WOLFOWITZ. I think “committed” actually was the word we used.

Senator DORGAN. Let me make the point that I think Congress is going to provide whatever you need to do your job on behalf of the American soldiers that are committed. I am just telling you as one member of this committee, and I think it would be expressed by virtually every member of this committee, we are going to provide the resources that you need to do this job. And the question of additional authorities, and so on, we are going to have to work through that, but my own view is that I do not think anybody is going to hold you up in resources, hold up in terms of time, and we should not do that.

#### IRAQ RECONSTRUCTION

Let me ask a question about reconstruction. I plan to offer an amendment. Regarding our policy on this issue. The Secretary said once Saddam Hussein is gone, the United States will work with the Iraqi interim authority to tap Iraq’s oil reserve, the funds that Iraq has, and other Iraq resources to fund the reconstruction effort.

Iraq, I think, has the second largest oil reserves in the world, next to Saudi Arabia. I happen to think that the reconstruction of Iraq should come from the resources from their oil fields. There are plenty of resources there, in my judgment, and I would like that to become a part of U.S. policy, and would hope to offer an amendment in order to accomplish that, and move in that direction. Do you have any comments on that?

Dr. WOLFOWITZ. I think philosophically we are in 100 percent agreement. I mean there may be, contrary to intelligence we are seeing so far, for example, if we were to find the kind of humani-

tarian crisis that Senator Kohl referred to earlier, I would not want that philosophical principle to stand in the way of feeding people.

Senator DORGAN. Yes. I do not mean—I am talking about reconstruction now. I view that separately from humanitarian aid. I think humanitarian aid is—

Dr. WOLFOWITZ. Fair enough. Even on the reconstruction piece of it, there may be things that need to be done quickly, and speed may require something else, but I think it is very important to, as much as possible, establish that principle early on that they are responsible for themselves. I mean it is a very important point, and it is different in this case from our experiences in any other case that I can imagine, and certainly the complete opposite of the situation in Afghanistan, where that is a country that has no prospect of being self sufficient for quite some time to come.

The people of Northern Iraq, who have been free of the Baghdad regime now for some 12 years, thanks to our efforts, have managed to be fairly self-sufficient on the 13 percent of Iraq's oil revenues that they are allowed. They still operate under United Nations sanctions, but they get 13 percent of the Oil for Food money. It is not a bad principle.

Senator DORGAN. My hope is to offer an amendment on the policy issue with respect to reconstruction and oil. Thank you very much for your response.

Mr. Chairman, thank you.

Chairman STEVENS. Senator Durbin.

Senator DURBIN. Thank you, Mr. Chairman.

#### SPECIAL MILITARY PAYS

And thank you, Mr. Secretary, for joining us with your colleagues here today. I may be one of the last to ask questions. Yesterday, there was a vote on the floor of the Senate relative to imminent danger pay, combat pay, as well as family separation allowances. The original amendment, which I offered, suggested \$500 for each, which would have been an increase from \$150 for combat pay, to \$500 a month, and an increase on family separation allowance from \$100 a month, to \$500 a month.

With some negotiations, that was brought down. I was not happy with the outcome, but we believe we have arrived at a figure of \$250 for each, and put provisions in the budget resolution for that, and a 100-to-nothing vote in the Senate in support of it.

I raise that issue because others have raised the question of quality of life for the families that are affected here. Not just the active personnel, but the Reserves and Guard are playing a much larger role.

I would like to ask you whether there is provision within this supplemental for that type of an increase, so that we could offer imminent danger pay, and an increase in the family separation allowance to the men and women fighting, as well as those at home waiting for their return.

Dr. WOLFOWITZ. There is a considerable amount, I think, in the supplemental for special pays. I do not know how it allocates among different types of special pays. Do you, Dov?

Dr. ZAKHEIM. I can get you that for the record. We have money for all the various categories of special pay, whether it is danger, whether it overseas, all of that.

[The information follows:]

No. The funds requested in the supplemental are based on current authorities governing Hostile Fire Pay (HFP)/Imminent Danger Pay (IDP) and Family Separation Pay (FSA). Current law allows \$150 per month for personnel serving in a qualifying region for HFP/IDP, who would not have otherwise been in that region. The estimated incremental cost for HFP/IDP at current pay rates for potential military operations to disarm Iraq is \$370 million. Current law allows \$100 per month for personnel mobilized and separated from their families. The estimated incremental cost for FSA at current pay rates is \$246 million.

After discussions of possible rate increases, the Department estimated the cost of increasing the rate for HFP/IDP to \$225 per month retroactively. An increased cost of \$261 million in fiscal year 2003 would be required to support mobilized forces. The estimated cost of increasing the rate for FSA to \$250 per month retroactively would be \$564 million in fiscal year 2003.

Dr. ZAKHEIM. To your question, though, obviously, our estimates are based on what is current law. Therefore, we have postulated the request to the Congress based on what are current rates, but we do have them in there. That is actually the bulk of the active pay category, because regular pay is already in the baseline budget.

Senator DURBIN. I can also add—I am sure that you have been contacted by the families who have been activated and those who are in combat. Some of them are facing extraordinary hardships that we have talked about earlier here. I hope that the Chairman, as well as other members of the committee, and the Department of Defense will be open to a change in the supplemental that will accommodate an increased family separation allowance, as well as increased imminent danger pay.

We can never compensate the men and women in uniform enough for the dangers that they are facing. I think this would be an excellent show of support from Congress and the American people at this important time.

#### FUNDING FOR WAR ON TERRORISM

May I ask you, Mr. Secretary, when it comes to this appropriation request, relative to the war, how much of this relates to the war on terrorism? How much of this would have been asked for were there no war in Iraq underway?

Dr. WOLFOWITZ. There is roughly \$6 billion in there that covers forces that, particularly things like aircraft carriers, Marine forces that are—that we would still need out there even if there were no conflict in Iraq.

Senator DURBIN. So roughly 10 percent of it is for the war on terrorism?

Dr. WOLFOWITZ. Dr. Zakheim is telling me that it is more than \$6 billion.

Dr. ZAKHEIM. It is more than that, because the \$1.5 billion, which includes the money for Pakistan—

Dr. WOLFOWITZ. Correct.

Dr. ZAKHEIM [continuing]. And other countries is also related to the global war on terrorism. In addition, there is about \$500 million to replenish munitions that have already been expended in the global war on terrorism. So roughly, it is the \$6 billion that Sec-

retary Wolfowitz was just mentioning, plus about an additional \$2 billion.

#### ASSISTANCE FOR TURKEY

Senator DURBIN. Another question has been asked of me. Why are we giving \$1 billion to Turkey, if they were so uncooperative?

Dr. WOLFOWITZ. They were not nearly as cooperative as we had hoped, but I think it is a little unfair to say they were uncooperative, and they have become much more cooperative in the last couple of weeks. The overflight that we are getting from Turkey is enormously important, and while it is true that all our other North Atlantic Treaty Organization (NATO) allies, even France and Germany, have given us overflight, it is also fair to point out that Turkey is the only NATO ally that shares a border with Iraq, so we are overflying Turkey with Tomahawk Cruise Missiles, with fighter bombers, with B-2s, and most importantly, we are flying special forces and airborne troops in through Turkish airspace.

Now, that is not the reason there is \$1 billion in there, but let me make it clear: The Turks granted us that overflight unconditionally. But the view is, and this is now really into—I am running the risk of explaining a piece of the State Department's supplemental, but we have a big stake in Turkey getting through this crisis without suffering an economic crisis on top of it. And while we would have hoped for a higher level of cooperation, Turkey remains a very valuable ally, and a country particularly in a period when promoting moderation and democracy in the Muslim world is particularly important to America's interest. Turkey's success as one of the few democratic countries in the Muslim world, I think that is important.

So it is not a payment for something. It is not a reward for something. It is a recognition that Turkey, as a front-line State, stands to suffer some significant short-term economic losses as a result of this conflict.

But let me say one more thing, especially to those Turks that might be listening. This is going to bring a huge economic benefit to Turkey in the medium and the long run, and I wish they would have recognized that a long time ago.

Senator DURBIN. Mr. Chairman, may I ask one last question?

Chairman STEVENS. Yes, sir. You waited a long time. We all remember sitting down at the end of the table, by the way, Senator.

#### SECRETARY WOLFOWITZ'S EARLIER VIEWS ON IRAQ

Senator DURBIN. Secretary Wolfowitz, much has been written about an article that you wrote many years ago with others relative to our relationship with Iraq, and whether or not we should be engaged in taking out Saddam Hussein as leader of that country, and on the issue of the policy of preemption. I would like to ask you, now that you have seen what it has taken to bring us to the point of this invasion of Iraq, do you feel that your rationale, written many years ago, was justifiable? And secondly, where does this take us in the future by that same rationale?

Dr. WOLFOWITZ. We could discuss which particular paper we are referring to. I think you are referring to something that I never wrote, and, in fact, I never read. It was written by a staff member



of mine, and it appeared in the New York Times before I saw it, but that is the famous 1992 defense planning guidance draft.

On the broader question, my views of Iraq have changed over time, and I would never have thought before September 11th that the kind of activity we are undertaking would be justified or necessary. It is an unfortunate fact of history that had we taken stronger actions of a more limited kind over the last 12 years we would not be facing this problem today, starting with the end of the Gulf War, and going throughout most the 1990s, I believe, but we are where we are now.

We have a regime that is an extreme threat to the United States, and I think we have learned from September 11th that those are threats that you simply cannot afford to live with, and fortunately, we have incredible men and women who are putting their lives literally on the line to free this country from that threat, and in the process, I believe, and this is important, they will also free the Iraqi people from a terrible regime.

Some people have commented, "Well, if that is the case, why are not the people of Basra rising up and greeting us as liberators?" And the answer, I think, is increasingly clear. It is because Saddam and the regime, whether Saddam is alive or not, the regime has its death squads operating in Basra. We heard a report that one Iraqi commander who tried to surrender or at least not fight, was taken, executed, his head was chopped off, and paraded around the city on a pole.

When you have a regime like that, it takes a little while before people get their stomach up to oppose it, but I am absolutely sure when it is gone, people will be cheering its absence, and we will be the better for it.

Senator DURBIN. Thank you.

Thanks, Mr. Chairman.

Chairman STEVENS. Senator Byrd, do you have any further questions?

Senator BYRD. Thank you, Mr. Chairman. I do have one question.

Let me preface this question to an unrelated matter that was expressed—well, not matter, but expression that was in the Secretary's statement, Secretary Rumsfeld. I got the impression in listening to his statement, especially the last part of his statement, that but for Iraq and its current regime, we would not have suffered the events of 9/11. More than once his statement alludes to 9/11 in that regard, and indicates that the costs of this supplemental, and the costs of other supplementals, as necessary, whatever it takes to rid the region of Saddam Hussein, are very small in relation, or as compared with the costs of 9/11.

I think it should be stated for the record, at least as far as I know to date, there is no indication whatsoever that of the 19 hijackers on 9/11, not one was from Iraq, not one. I do not carry any grief for Saddam Hussein; but it seems to me that it is fair to make that statement on the record.

Secondly, in response to some of the statements that have been made by the Administration's witnesses here, the Administration is not limited to one supplemental. And in support of the arguments sustaining the requests for additional authorities, an extension of

authorities here in this bill, I say the Administration, if it wants to send up another supplemental, Congress will certainly take a close look at it, examine it carefully, and we will respond, I think, positively. If it is for support of the troops, and for their safety, I do not think there will be any delay in that respect.

So those who perhaps leave the impression that it is awfully slow up there on the Hill to get things done, getting a supplemental through is a time-consuming exercise; therefore, we need these authorities, so that we can shift things around. There is nothing to keep the Administration from asking for additional funds.

Third, you do have some flexibility in shifting from one account to another. The impression is left here that you have no flexibility at all. You have the flexibility of reprogramming up to \$2 billion annually, and it seems to me that has worked very well in the past. Why this situation is so different, I cannot understand. This country has fought several wars, and much more demanding than this war will probably be, insofar as to length of time for the war, and its duration, and the costs, and the loss of manpower, and so on and so forth. So I see no reason, let me say it again, for Congress to extend these flexibilities.

#### HELPING FAMILIES IN DISTRESS

Now, my question of you, Mr. Secretary, is this: The family of Private First Class Jessica Lynch, one of eight listed as missing, after her fellow soldiers were taken captive by Iraq, contacted my office with their concerns about her situation. Being removed from military facilities, and waiting for information has been extremely difficult for that family. At first, things did not move, in my own judgment, as they should, but later, the Department has been more responsive.

This raises the issue about how our military helps families in distress. What has been done during the months of military planning leading up to the war to prepare our Armed Forces, to console the families that will be affected by the war?

[The information follows:]

#### MILITARY CASUALTY NOTIFICATION PROCESS FOR MEMBERS OF CONGRESS

Every effort is made to notify Members of Congress that a service member from their state/district has been severely injured, wounded, killed or discovered missing. This will be done as quickly as possible following notification of the Next of Kin (NOK), and consistent with the wishes of the NOK. The NOK can withhold permission for the service to notify their Members of Congress, as was done in a recent case.

DOD appreciates the desire of Members to personally express their sympathy and support to family of a casualty. However, the Department is restricted by privacy laws. We cannot release certain information about the NOK. This restricted information includes residence, addresses, telephone numbers, social security numbers, age or date of birth. Should the family choose to withhold notification to Members of Congress, the services will accept letters of condolence from Members of Congress and deliver them to the family through their Casualty Assistance Officers.

Access to official casualty reports is provided by OSD Public Affairs. This information can be accessed through our web site, [www.defenselink.mil](http://www.defenselink.mil). These reports are not posted until the official notification of the NOK has been made. Staff may sign up for automatic notification of DOD releases by logging on to DefenseLink. These releases include DOD casualty announcements.

Embedded media and 24 hour coverage provided of Operation Iraqi Freedom have produced instances where casualties and captured service personnel are revealed by the media before the official notification procedures can be completed. These in-

stances are especially unfortunate for family members. Regardless of news coverage the military services and the Department will not make public comment until formal notification of the NOK has been accomplished.

At no time will the name of a service member who has suffered a casualty or capture be officially released until the notification of the NOK has been made.

Consistent with the wishes of a service member returning stateside for further treatment, Members of Congress may be notified of the location and condition of their constituent.

Please contact your respective service legislative affairs offices should you have any additional questions.

Army .....	Janet Fagan .....	(703) 697-2583
Navy .....	CAPT Mike McGregor .....	(703) 697-7146
Marine Corps:		
Senate .....	COL Art White .....	(202) 685-6009
House .....	LTC Mike Shupp .....	(202) 225-7807
Air Force .....	Cong. Inquiry Division .....	(703) 697-3783

#### NOTIFICATION OF THE NEXT OF KIN (NOK)

It is DOD policy that in the event a military member becomes a casualty, the NOK shall be notified as promptly as possible in a dignified, humane, professional, empathic and understanding manner. Additionally, in those cases in which the military member is declared deceased or missing, the Military Services shall appoint a casualty assistance officer to advise and assist the immediate family in matters concerning NOK entitlements.

##### *Notification Process For Missing In Action*

The initial notification of the NOK will be made in person by a uniformed representative of the Military Service concerned.

All facts and circumstances on the casualty incident, known at the time of the initial notification, shall be provided to the NOK.

In cases of serious injury initial notification in person to the primary NOK by a uniformed representative is encouraged. When personal notification is not possible telephone communication shall be used.

In all cases involving deceased or missing casualties, the Military Service concerned shall appoint a casualty assistance representative who will contact the NOK within 24 hours of the initial notification. The representative shall maintain contact with the NOK to keep them informed on all matters relating to the case until the case has been resolved and all entitlements and benefits are received.

In all cases involving serious injury the military service shall regularly inform the NOK of the member's medical progress.

In cases of service members whose whereabouts are unknown, the NOK will be kept informed of the progress in determining the member's actual status. The service member's actual status should be determined, whenever practicable, within ten days. This allows time to conduct an investigation, or for search and rescue efforts to ascertain a member's status. The commander of the service member in question will make a preliminary assessment within ten days and forward his assessment to the Service. The Service will appoint a board to conduct an inquiry into the whereabouts and the status. The board will gather all information relating to the case. There will be a counsel who will represent each service member. The counsel's identity will be made known to the NOK. Within thirty days the board will submit a report to the Service on the status of the service member in question.

Dr. WOLFOWITZ. Senator, I do not know the specific case, and I will look into what may have happened there. I do know that the services have really, I think, made enormous advances in the last 10 years in how they deal with these kinds of issues. And I saw it first hand, and I was extraordinarily impressed with how they worked with the families, surviving families from September 11th, where we lost some 150 people in the Pentagon, and it was General Van Alstyne of the Army, who, in fact, led that effort for us.

[The information follows:]

Note: 184 people were killed at the Pentagon on September 11, 2001, not 150 as stated in the transcript. 125 of the deceased were in the building and 59 were on Flight 77, not including the terrorists.

Lt. Gen. Van Alstyne, was serving in the post of Deputy Assistant Secretary of Defense (Personnel & Readiness) (Military Personnel Policy) when he led the effort to provide assistance to the family members of victims of the September 11 attack on the Pentagon.

The supplemental request submitted by the Department of Defense included funding for the following medical modernization items:

Alaris Iv Pump	Mms Opth Aug (M319) (Scanner Ultrasonic)
Blanket Warmer	Mms Opth Aug (M319) (Vitreoretinal Surg Sys)
Blood/Clin Chem Analyzer (I-Stat)	Mms Path Opa (M436) (Tissues Processor)
Clinical Chem Analyzer (Piccolo)	National Guard Air Evac Backfill Units
Conseq Man Set	Notebook Computer
Cr Level Ii	Notebook Computer With Printer
Cr Level Iii	Origen Analyzer
Defibrillator (Lifepak 10)	Patient Warmer
Dental Digital Imaging	Patient Oxygen Generation System (Pogs)
Edocs Central Oxygen Generation Pci	Pulse Oximeter Level Ii
Electrosurg Apparatus	R.A.P.I.D. 7200 System
Handheld Computer	Regulator For Ventilator (754)
Handheld Dental X-Ray	Serpacwa (200,000 Soldiers)
Handheld Ultrasound	Server (Medium Networks)
Hematology Analyzer (Coulter)	Spinal Board
Iridium Phones	Suction Apparatus (326)
Iv Pole	Udp
Litter, Decontaminable	Ventilator (754)
Litter, Strap	Vital Signs Mon W Cap (M66558)
Mms Path Opa (M436) (Microtome-Cryostat))	Vsat Commo
Mms Eye Exam (M315) (Litghet Slit)	Vital Signs Mon W Pulse Ox (Z97117)
Mms Maxofacial H&N Surg Aug (M318)	Water Distribution System
M09098—Cranitome	Usamma Materiel Fielding
Mms Opth Aug (M319) (Cryosurgical Sys)	
Mms Opth Aug (M319) (Diode Laser Sys)	

Dr. WOLFOWITZ. And the impression I had, though—and I do not mean to diminish any of the other services—was that the Army, at least, had particularly focused on this issue, so I am a little surprised if there was a slip-up with an Army Private First Class, but let me look into it.

[The information follows:]

When PFC Jessica Lynch was reported missing March 23, Army Casualty Headquarters staff designated her Duty Status Whereabouts Unknown (DUSTWUN). A Casualty Notification Officer was immediately dispatched to PFC Lynch's home and an Army major notified her family of her status at 11:00 p.m. on March 23. The Lynch family was assigned a Casualty Assistance Officer whose role is to keep the family informed on the status of PFC Lynch and provide other assistance to the family.

The Department's family support managers have worked diligently to ensure that support systems were in place for all family members of our mobilized and deployed Service members serving in Operation Iraqi Freedom. There has been no contingency where our families were better supported. In a November 2002 program guidance memorandum, the Office of the Under Secretary of Defense for Personnel and Readiness provided guidance for family support programs for this contingency. The effort focused on comprehensive family support during the pre-deployment, deployment and post-deployment phases. During the months of military planning the Office of the Secretary of Defense chaired monthly meetings with the Joint Family Support Contingency Working Group to assist the Services prepare for family-related contingencies.

The family support programs focused on assistance to all family members including parents and Reserve component families who may live long distances from a military installation. Single Service members were encouraged to include their parents in the pre-deployment programs, if possible, and to provide relevant informa-

tion to their parents and extended family members throughout all three phases of the deployment.

As in the troop operations, family support during Operation Iraqi Freedom is an extraordinary joint effort with all components assisting family members. This includes pre-deployment briefings, assistance with specific family issues, obtaining family member ID cards and dissemination of accurate information.

The Services' family support staffs have used technology extensively to reach out to family members. This includes the establishment of a number of comprehensive Web sites that provide key information for the families and resources to support them during the deployment. Units have established special phone lines where families can call in and hear a regularly updated recording on the deployed unit. The expanded use of email in theater has significantly assisted in keeping families connected when possible. Video-teleconferencing for families and their deployed members, where available, has also enhanced communication.

The family support managers are now prepared to provide reunion programs for returning Service members and their families. Past experience has proven these programs to be very helpful in the healthy reintegration of Service members back into their family and community.

We have great confidence in the professionalism and dedication of our family support staff, chaplains and volunteers. They are skilled in bringing information, counsel and consolation to the families of our deployed Service members. They are doing a superb total force job and personify the meaning of the military taking care of its own.

Dr. WOLFOWITZ. I think it is understood how important this is. It is understood that increasingly we cannot handle an army of people with wives and children the way in which we handled an army of mostly single men 50 or 60 years ago. I will find out if there was any slip-up in this case. But it is considered, from our point of view, a matter of the highest importance because the morale of the families back home is important to the whole effectiveness of the force, and it is something we also owe them as a moral obligation.

General CARTWRIGHT. Could I add just—

Chairman STEVENS. Yes.

General CARTWRIGHT. There are two pieces to that that I think are very important to what you have raised here, sir. One is the notification and making sure that the families are taken care of. The other is organizing the dependents and the families that have stayed behind, so that they have access to information, and can stay informed. I think, and particularly in the case of the Army, we cannot forget that front piece. We have to organize the families so that they have a way of getting the information in a timely fashion, stay informed.

Uncertainty is the biggest enemy we have for a family that sits behind, and not knowing what is going on. And we have to take care of that piece, too. It is part and parcel to what you are addressing, sir.

Dr. WOLFOWITZ. It is another aspect of what is so terrible about the Iraqis putting people on television. We learned for the first time that some people were prisoners at the same time that the families learned, and it does not give us much chance to get in there ahead of them.

Senator BYRD. Well, thank you. Thank you very much. Will you continue to review the support that is given to families, our service members who have been taken prisoner, or who are missing in action, so that the military can do their utmost to provide the families with comfort at their most difficult times?

Dr. WOLFOWITZ. I will do that personally, Senator. There is a lengthy couple of pages here which I will give you, also, and add for the record on the procedure that we are using.

[The information follows:]

Each of the Military Services' Casualty headquarters assigns a Casualty Assistance Officer to families of those missing, including POWs. Their job is to keep the families informed with the latest information, as we know it, on their loved one. The Casualty Assistance Officer provides other assistance to the families as needed and requested by the families. The Military Services take this responsibility very seriously.

Senator BYRD. Very well. I thank you, Dr. Wolfowitz.

Dr. WOLFOWITZ. Thank you, Senator.

Senator BYRD. And thank you, General Cartwright, and Dr. Zakheim.

Mr. Chairman, may we have our opening statements included in the record?

Chairman STEVENS. Yes. All of the opening statements have been placed in the record, as read, and we will be back here at 3:30 to meet with Secretary Ridge.

#### SUBCOMMITTEE RECESS

Chairman STEVENS. Dr. Wolfowitz and Dr. Zakheim, I want to emphasize that we have to have the answers to these questions to be submitted. I am going to ask that all questions be submitted by the close of business today. We are not going to wait for a series of questions ad infinitum, but those questions that were sent today, we hope that you will respond to them no later than Tuesday, because we want to try to mark up Tuesday afternoon if it is at all possible.

Dr. WOLFOWITZ. That is fair, and we appreciate the speed in which you are considering this.

Chairman STEVENS. Thank you very much.

[Whereupon, at 12:45 p.m., Thursday, March 27, the committee was recessed, to reconvene at 3:30 p.m., the same day.]

(AFTERNOON SESSION, 3:30 P.M., THURSDAY, MARCH 27, 2003)

#### DEPARTMENT OF HOMELAND SECURITY—RESUMED

Chairman STEVENS. Thank you, Governor, for returning to us—Mr. Secretary, that is. And we do have additional Senators that are on their way. I do have but one question, and it is about the omnibus appropriation and its comparison to this bill.

#### FISCAL YEAR 2003 AND WAR SUPPLEMENTAL FUNDING

We put \$3.5 billion in the omnibus appropriations bill. It was for homeland security assistance to State and local authorities, including first responders. This request includes \$2 billion to enhance State and local terrorism preparedness and to assist first responders. Can you tell us the differences between the two? We put up \$3.5 billion, and now here is \$2 billion. How do they fit together?

Secretary RIDGE. In the President's supplemental, Senator?

Chairman STEVENS. There is \$2 billion in addition to the \$3.5 billion as far as the first responders part. Am I clear?

Secretary RIDGE. I apologize, sir. You are not. In the supplemental, there is \$3.5 billion, and part of that \$3.5 billion is \$2 billion for the first responders.

Chairman STEVENS. Yes, but that is part—and to enhance terrorism preparedness and assist first responders.

Secretary RIDGE. Yes, sir, I understand.

Chairman STEVENS. That is an addition to what we gave you in the \$3.5 billion. What do you contemplate doing with the money in this bill that you cannot do it, achieve with the \$3.5 billion?

Secretary RIDGE. Senator, the dollars that you gave us in fiscal year 2003 are dollars that are going out through the Office for Domestic Preparedness, dollars going out through—the three-quarters of a billion in the fire grant program. The fiscal year 2004 request has another \$3.5 billion for strictly first responder money and first preventer money, if you might.

The supplemental request is in part to defray added costs incurred by the States and locals for critical infrastructure protection we have asked them to secure as a result of the hostilities in Iraq. And, it also includes some money for their use to continue to build first responder capacity for exercises, for training and the like.

If you take a look—to your point, Senator, if you take a look at the dollars that Congress appropriated in fiscal year 2003, the \$2 billion request here for first responders, and the potential of getting as much as \$3.5 billion in the fiscal year 2004 request, first responder dollars in the aggregate, if we can get the budget out and approved by October 1, this fiscal year alone would probably be somewhere between \$7 to \$8 billion.

Chairman STEVENS. Thank you. During the luncheon recess, I had a call from a Governor of—from a mayor of a major city, and

also some conversations with several Senators about the problem of getting money through the States. Now we discussed that a little bit this morning.

Secretary RIDGE. Yes, sir.

#### EXPEDITING FIRST RESPONDER FUNDING

Chairman STEVENS. But have you explored the problem from the point of view of trying to get some group of mayors to give us a device whereby the money could be mandated to flow through the States? What I mean is, we could literally say the States have to pass this on to some mayors within so many days. Once you make a grant to them, they have to move it on to some city.

But the question is, they obviously do not get enough money, any of them, to go on a per capita basis distribution to all of the cities in their State. But there is no mechanism for deciding who has the priority within each State.

Secretary RIDGE. Senator, I would welcome the opportunity to work with you, and Senator Byrd, and others on this committee to see to it that if we kept to that distribution formula, the 80 percent that has to go down to the first responders and the 20 percent stays in the States, that there is some leverage that Congress imposes upon the distribution of that money so that the 80 percent does not end up gathering interest or dust in State capitals, but gets distributed immediately to the States.

I mean, it is our view that if you take a look at the totality of the dollars that would be available to the local governments conceivably this year, there are enormous sums that they ought to get. They just want some kind of assurance that they will get it as quickly—shortly after we send those dollars to the States.

Chairman STEVENS. Well, it is—

Secretary RIDGE. But it is still preferable than getting—I think, dealing with the request of 1,000 or 2,000 individual communities, because part of our desire is to build a national capacity. So we asked the Governors to help design a plan for their State. We asked the mayors to participate in the development of that plan, but the quid pro quo in exchange for the mayors working with the Governors is that we design a mechanism to ensure that they get their money promptly. As soon as you give it to the Department of Homeland Security, we get it out the door, and we have got to get it to the mayors.

Chairman STEVENS. Well, it was suggested that I suggest to you is that you not give the States any money until they show they passed the 80 percent onto the local governments.

Secretary RIDGE. Well, Senator, I would love to work with you on the language that levers immediate response from everybody involved, because once you appropriate it, our job is to get it out the door quickly. And that is both to the States for training purposes and cost reimbursement, but also to the mayors and to the cities. So working with you on that kind of language that guarantees that the money flows expeditiously from the States down to the local communities is something we would welcome.

Chairman STEVENS. Thank you very much.

Senator Byrd.



## VULNERABILITIES

Senator BYRD. Thank you, Mr. Chairman.

Governor, you have said that we are a Nation at war, and another terrorist attack here in America is inevitable. You have said that the attacks such as the attacks of September 11th are long-term threats. They will not go away. And sadly, I have to agree with that assessment.

This threat presents our Government, your Department, and this Congress, with a tremendous challenge and many difficult decisions. Making our Nation safe from the terrorist threat could be a bottomless pit.

How can we protect a society that desires to be free, safe from a threat that is so ill-defined? Will the next attack be biological? Will it be chemical? Will it be nuclear, or radiological, or weapons brought into this country through any one of the 361 ports? Or will it be another jet plane containing 60,000 gallons of fuel crashing into a building? These are all real threats. We have to be concerned about them.

As this committee tries to determine how best to meet these threats, it would be useful to have your assessment of the 10 or 12—I would say 10—vulnerabilities that you are most concerned about. If you could provide us with a conceptual response today, or as soon as possible, and a classified response in writing before we mark up next week, it would be most helpful. Will you try to do that, please?

Secretary RIDGE. Yes, Senator, would be pleased to.

## PROTECTING PRIVACY AND CIVIL LIBERTIES

Senator BYRD. How do we protect ourselves from these threats within our borders while protecting our privacy rights and our freedom to move about this great country? That is the question I have. How do we protect ourselves from these threats within our borders while protecting our privacy rights and our freedom to move about this great country, and all within the constitutional concept? Do you want to try answering that?

Secretary RIDGE. Yes, sir. I would be pleased to respond.

Senator BYRD. You may have to do part of that in writing. I think it is important we have your response.

Secretary RIDGE. Senator, our—this country's openness, its diversity, its freedoms, and its values are in large measure the target of our terrorist enemies. Anything they can do to undermine any of those, either directly or indirectly, it gives them the victory which we cannot afford them to even think about.

Congress, in setting up the Department of Homeland Security, has provided for the creation and integration of both a privacy officer, or official, as well as someone whose sole mission is to look over the strategy we develop, the tactics we deploy, and the dollars we expend to ensure that it is consistent with the civil rights and liberties of this country.

I would assure you that when these positions are filled within the Department, their responsibilities to the Congress, but more importantly—well, you reflect responsibility to the country as a whole—will be integrated into everything we do. We do not want

to lose that which makes us so unique among the countries on the face of this Earth; and that is, our civil liberties, individual privacies.

And, again, in a transparent system through which and by which we discuss these issues, we know if there is the slightest inkling that we are going too far, that there will be debate, there will be congressional involvement, and that is just the way it needs to be in this country. But you have helped by creating a couple of positions within the Department. And I will assure you that as part of their integration into this Department, they will be afforded the same access and the same involvement as I am affording to our Inspector General. We will have these men or women, whoever we decide to hold these offices, involved at the front end as we develop strategy, and policies, and programs.

#### PRIVACY OFFICER

Senator BYRD. Well, I thank you, Mr. Director. I know there is much more that you could say on this, but our time is—

Secretary RIDGE. I would be happy to follow up, Senator, in a longer written response.

Senator BYRD. Can you tell us when the privacy officer will be filled?

Secretary RIDGE. The—we have a name. We have completed our search for the—very able individual we have identified to serve the Department, and the country, and the civil liberties area. And we are conducting now a search and interviewing people to complete our work to identify the privacy officer.

#### TIMING OF SUPPLEMENTAL REQUEST

Senator BYRD. Very well. In January of this year, I offered an amendment to the fiscal year 2003 omnibus appropriations bill to add \$5 billion for the critical homeland security programs. The White House characterized my amendment as unnecessary, extraneous spending that purported to be for homeland security. Get that now, “purported to be for homeland security.” This amendment included funding for first responders, port security, aviation security, and border security.

Now the President comes along and requests \$4.2 billion for virtually the same activities. The only thing that the Administration’s position on my amendment accomplished was that of delaying for 2 months or more our ability to secure the homeland. Why is it that this Administration has been so slow to recognize a need to invest resources that the Congress has made available? And I mean by bipartisan votes. And these matters come out of my—I say “my committee.” I was chairman at that time. Senator Stevens was Ranking Member and supported—he and the Republicans supported these amendments just as strongly as the Democrats did.

Yet the—why is it that the Administration was so slow to recognize the need to invest resources in the security of our homeland? And you remember even earlier than that, you wrote to me and told me that, in essence, “Well, just hold on, buddy. We will let you know how much money we need and whenever we need it.”

Secretary RIDGE. Yes, sir.

Senator BYRD. "We do not think—we think—we do not we need your money now." So I had that same experience with you when you——

Secretary RIDGE. Yes, sir.

Senator BYRD [continuing]. Were a lowly director and working under instructions not to get near Capitol Hill unless you came in with closed doors and all that. I say that very kindly to you. I think you would have been here——

Secretary RIDGE. I understand, Senator.

Senator BYRD [continuing]. Long before, had the President let you come. Do you want to respond to that? Why is it that this Administration has been so slow to recognize the need to invest resources in the security of our homeland?

Secretary RIDGE. Senator, I believe that as we looked at your request to provide additional sums, we knew that we had a request before Congress in the fiscal year 2003 budget for \$3.5 billion. We knew that our way ahead in the fiscal year 2004 budget was another \$3.5 billion. We knew at the time that there had been bioterrorism money that was available to the States pursuant to, I believe, a supplemental that the Congress generously provided in the end of fiscal year 2002 that had not been drawn down; that there were a few other dollars in the Office for Domestic Preparedness that had not been drawn down.

If you took a look at the totality of the money that we believed would be available and still believe should be available, it was well in excess of \$7 billion. So number one, we were looking at both the ability to get congressional support for a substantial sum, and \$7 billion is a very substantial sum, but also to make sure that we set it up in a way that it was expended on where it was needed as we took a look, long term, at our responsibility to build up a national capacity to prepare for a terrorist attack, to prevent a terrorist attack, to reduce our vulnerability to a terrorist attack.

Again, I think we took a—we do and we continue to take an interest in getting adequate funds in every single year that can be appropriately spent as we build over a period of years additional capacity based on threats, based on vulnerabilities. And we do think that the \$7 billion we had anticipated would have been a very, very substantial first installment.

Senator BYRD. Well, you are a good soldier, and you always use your sword with a smile.

Mr. Chairman, I do not know how much longer you are going to tolerate me.

Chairman STEVENS. We extended your time, Senator, for 10 minutes.

#### NEED FOR SUPPLEMENTAL REQUEST

Senator BYRD. Oh, did you? Oh, well, good. Thank you.

What has changed in the last 9 weeks, Mr. Director? Nine weeks ago \$5 billion for homeland security was extraneous. Now \$4.2 billion is important enough to be part of an emergency supplemental bill. What has changed?

Secretary RIDGE. Well, first of all, part of that money is in recognition that the Governors and the States have, at our request, incurred additional costs to protect critical infrastructure. I think

there is a recognition to the extent of half a billion dollars in that regard.

And it was also an opportunity for us, looking at how some of the dollars that we had initially requested in the fiscal year 2003 budget where we—the Congress identified the direction those dollars should go, including the fire grant program, which was three-quarters of a billion dollars. Those monies are being used by the first responders.

But the—there was not the flexibility attached to those dollars that we had hoped to achieve in the fiscal year 2003 budget. And because of the enhanced security, because of the activities and hostilities in Iraq, our need for the supplemental and our need to continue to build that capacity, the additional \$1.5 billion was requested.

#### REQUEST FOR DOD

Senator BYRD. Mr. Director—or Mr. Secretary, excuse me. The extraordinary feature in the President's request is the extent to which funds are requested for unspecified purposes to be allocated by the executive branch without further congressional oversight. In many cases, there is not even a requirement to notify Congress prior to expenditure. Instead, the President proposes for agencies to report to Congress on a quarterly basis after the fact. And generally speaking, it is not less than 30 days after the end of the quarter.

These expansive authorities are not just for the Secretary of Defense. Similar flexibility is requested for the Secretary of Homeland Security, for the Attorney General, and for the President. Now let me give a few examples.

The Secretary of Defense would receive \$59.9 billion of the \$62.6 billion request for DOD through the Defense Emergency Response Fund (DERF). The Secretary is required to inform the Defense Oversight Committees no later than 30 days after the end of each quarter on how the money was spent. You see, the committee is—Appropriations are not going to be asked how to spend it. It is not going to be—they are not going to be asked whether or not they approve it. They will just be told 30 days after the quarter has ended how it was spent.

Secondly, the Secretary of Defense would be allowed to transfer up to \$9 billion. Well, I have heard all these crocodile tears being shed here this morning about the straitjacket, as it were, that the Defense Department is being put in to. And here it says the Secretary of Defense would be allowed to transfer up to \$9 billion, 2.5 percent, between appropriations accounts compared to the current \$2.5 billion limit. The Secretary is required to inform the Congress of such transfers.

Thirdly, the Secretary of Defense—I know I am getting out of your Department, but in a way this pertains in a similar manner to yourself and in your responsibilities.

The Secretary of Defense would receive a new authority to spend \$150 million for “indigenous forces assisting U.S. military operations or activities relating to the global war on terrorism.” The authority here is subject to the concurrence of the Secretary of State, but not Congress. The Secretary of Defense would be required to

inform Congress on a quarterly basis on how the transfer authority was used.

Next item: The Secretary of Defense would be given—I did not get to say all these things to the Secretary of Defense, but he will read about it. The Secretary of Defense would be given—maybe.

The Secretary of Defense would be given new authority to spend money out of the defense cooperation account, contributions from foreign governments, without the approval of Congress. Under current law, foreign contributions to the defense cooperation account can only be spent after approval in the Appropriations Act. This authority was created in 1990 for Operation Desert Storm/Shield. The President proposes now to waive this requirement for fiscal year 2003. This authority would potentially allow the Secretary now to use the proceeds of Iraqi oil sales to supplement the DOD budget without any congressional oversight.

Next item—the Secretary of Defense would have expanded authority to give \$1.4 billion, notwithstanding any other provision of law, to Pakistan, Jordan, and other key cooperating nations for military and logistical support for the war in Iraq or the global war on terrorism.

The proposal would make the fundings subject again now to the Secretary of State—this would be funny if it was not so serious—to the concurrence of the Secretary of State in consultation with the Director of OMB. But, lo and behold, no congressional approval or review is required. There is no reporting requirement.

The next item—the President would be given a \$2.4 billion fund for Iraq reconstruction and relief. Am I dreaming? Let me pinch myself and see if I am dreaming. My goodness. What do these people downtown think has happened to us? They think we must be children or fools who have forgotten the Constitution.

Next item—the President would be given \$250 million to prepare for, prevent, protect, or respond to a potential terrorist attack. The funds could be transferred to any authorized Federal Government activity. The director of OMB would be required to notify Congress 15 days prior to transfer.

#### DEPARTMENT OF HOMELAND SECURITY (DHS) REQUEST

Now let us get down to the Secretary of Homeland Security. The Secretary of Homeland Security would be given \$2 billion—that is a lot of money—for the Office for Domestic Preparedness, for grants to States for terrorism prevention; in other words, first responders. No specific formula for allocating the funds is included. No specific requirement for passing funds through to local governments is included. No specific deadlines for making grants is included. The Secretary is required to notify Congress 15 days prior to obligation.

The next item—the Secretary of Homeland Security would be given \$1.5 billion in a new counterterrorism fund for transfer to any department of homeland security—agency for homeland security programs. Curiously, the Secretary can only transfer the funds to DHS programs, so that if the Department of Energy needed additional funds for nuclear security, the Secretary could not transfer the money. If Health and Human Services (HHS) needed money for a new bioterrorism threat, or if the Department of Interior needed

the funds for protecting national monuments, the Secretary could not transfer the funds. There are no details on how these funds would be used.

The Coast Guard has significant costs associated with their deployment of 11 cutters and 24 small boats to the Persian Gulf. The Secretary would be required to notify Congress 15 days prior to obligation.

#### SPENDING AUTHORITIES

Well, I have other items that I could read into the record, but these are the examples of the authorities that this Administration is requesting. And it is seeking more authorities, more power, and wishes above all that Congress would simply step aside, salute, and go on off into the sunset. I cannot believe that this Administration is asking for this. I cannot believe that it thinks that Congress is going to just willy-nilly lie down and pass these things.

I think this—you know, I—the thought just struck me that we say we are fighting this war to liberate the Iraqi people, and yet here is the executive branch seeking power. And with—if Congress gives these additional powers to the executive branch, then Congress's powers, by the same token, are going to be lessened, are going to be taken away.

I cannot—I have great difficulty believing that the Administration really thinks that we ought to do this. Remember Lord Atkins' statement, "Power tends to corrupt, and absolute power corrupts absolutely." Edmund Burke—and I will close with him. He was a great friend of the colonies and the States prior to the Revolutionary War. And he said, "The greater the power, the more dangerous the abuse."

I thank you, Mr. Secretary. I have taken too much time already. But I have a feeling that you and I, and this Committee, are going to work together now that you have had the chains broken that kept you from coming before this committee. I look forward to working with you. We are both interested in the welfare of our country.

And just please remember that from my side of this table, number one is the Constitution of the United States, and the separation of power is doctrine, checks and balances. And I will meet you halfway on getting your dollars, but when it comes to taking away the prerogatives of the Congress under the Constitution to have control over that purse, then that is where I hope we will still be together.

Chairman STEVENS. Thank you, Senator.

#### NEED FOR SPENDING FLEXIBILITY

Secretary RIDGE. Senator, I am confident that we will. And you and I have had conversations about the importance of recognizing the certain principles of governance that are enshrined in our constitution.

Clearly, those of us who serve in the executive branch understand that the power of the purse, the power to appropriate, the power to oversee the appropriations is exclusively the province of the Congress of the United States. The request for flexibility is—we have tried to project for your consideration in recognition of that particular constitutional responsibility that you have.

We cannot have flexibility over a single dollar unless you appropriate the dollar. We will have to come back before Congress and justify every single dime that has been expended. We will be held accountable that it was expended for the purposes outlined in the request for initial appropriation.

But under the circumstances with regard to the Department of Homeland Security, the rationale is fairly straightforward. We are in some respects in uncharted ground whether in fighting the war at home. We know basically the costs associated with Coast Guard's work, not only in the theater, but the protection of the ports. We know the other costs that we are incurring for the foreseeable future as we do things, additional things, at our borders, at our airports. So there are costs associated that we can identify totaling nearly \$1 billion of that \$1.5 billion.

But given the unpredictability of the future as it relates to our needs, perhaps to surge to one area, to bring more resources in another area, to make sure that because an institution like the Coast Guard is still well equipped not only to help us fight the war but to pay equal attention to its non-homeland security responsibilities, that just gives us the flexibility to make sure that we spend the money where Congress has previously indicated, and that is the non-traditional role of—the non-homeland security role of the Coast Guard, and gives us a chance, when needed, to draw down and put the resources, the technologies with the people to help us defend America; obviously, accountable to you and your colleagues if those dollars are expended.

Thank you, Senator.

#### PREPARING FOR MARKUP

Chairman STEVENS. Thank you very much, Mr. Secretary.

I am going to yield to Senator Cochran. I have to excuse myself. I have some meetings that—Senators want to discuss this amendment to this supplement. I do want to remind the Committee that we have committed to recess at 4:15 p.m. so that the Secretary may conduct a conference call that he had previously scheduled. Again, I thank you for your courtesy of coming back—

Secretary RIDGE. Thank you, Senator.

Chairman STEVENS [continuing]. To meet with us this afternoon.

Secretary RIDGE. Sure.

Chairman STEVENS. And when we finish today, we will announce the schedule for Tuesday some time tomorrow after I consult with Senator Byrd.

Secretary RIDGE. Thank you.

Senator BYRD. Thank you, Mr. Chairman.

Senator COCHRAN. Mr. Chairman, thank you.

Chairman STEVENS. Thank you.

#### SPECIFICS OF SUPPLEMENTAL REQUEST

Senator COCHRAN [presiding]. Mr. Secretary, I am prepared to try to help you get the funds you need to do your job and to do it well. But it would be helpful to us in that effort to have some specific information about what the needs are in order to accomplish that goal. What we have before the committee is a broad outline

with broad categories of funding and not much in the way of specific requests for activities.

We know that there are needs out there. We have called some of the agencies that are under the jurisdiction of this Department—the 22 agencies or functions of agencies, the Coast Guard are included in this—to find out what they see their needs to be. And they are not consistent with what the budget request is, and there is a little confusion there in my mind because of what we are finding out.

For example, Senator Byrd, Senator Stevens, and others, including me, were invited to the White House to hear what the budget request was going to be. And we were told it was \$74.7 billion for the Department of Defense, \$4.2 billion would be for Homeland Security. And then the fact sheet gets sent up by the Department of Homeland Security that indicates the \$3.5 billion request and outlines the specifics which Senator Byrd read into the record while ago. So I wonder what happened to the \$4.2 billion request. Is it now \$3.5 billion, or is it still \$4.2 billion? If it is still \$4.2 billion, what is the other money for?

So it would be helpful for us—and I am going to submit some specific questions about some of these accounts—to see if we can find out what the specific needs are for the Coast Guard, for the Transportation Security Administration. That is another point of confusion. I had asked at The White House how much was being requested for the Transportation Security Administration and I was told nothing, none, no specific request. Then we start meeting with your staff to find out if there is any intention to provide money from this bill to the Transportation Security Administration and you said, yes.

There is an assumption that there will be \$120 million that would be used from this supplemental spending bill by the Transportation Security Administration to hire additional screeners and to provide additional funding for overtime pay for Federal screeners.

Well, then I am told that there is a statutory cap to limit the hiring of screeners already, and it has already been exceeded. So, how are we going to hire additional screeners if that cap has been exceeded?

So, the more I dig into the specifics, the more I realize we have got some work to do to find out what is actually required. Can some of these funds that you are assuming you need be spent legally? Do we have to make changes in this bill in the law that created the Department and the authority to do these things? So, I think we have got some work to do. Looking at FEMA, for example, I asked the question this morning about the cost of the agency's work in helping with the Columbia shuttle recovery. That assignment was given to FEMA. It could not have been anticipated when we funded FEMA last year. This was certainly an expensive operation. And my question was, is there any money in here for FEMA to take care of that? And my impression was that there is none, or none was assumed. You were going to absorb those costs.

The Secret Service, I am curious to know if the Secret Service is going to get any money in this, from this supplemental. There is no specific request for the Secret Service, but I am told that there



are expenses that they anticipate incurring. It is up to \$132 million for the cost of Secret Service's Operation Liberty Shield activities and other needs.

There is a similar concern in another agency under your jurisdiction, the Federal Law Enforcement Training Center, for example. I understand that additional supplemental funding is thought to be needed in the amount of \$1.736 million, but that is not in the budget request. That is not in this supplemental request.

So it would be nice to have the specifics. I think it will help us help you if we had the specifics, because you can tell right now by the tone of the questions and comments from other Senators who are on this Subcommittee for Homeland Security that we are not just going to appropriate \$4.2 billion and say, "This is for whatever purpose the Department of Homeland Security wants to spend the money for." And that is sort of what this request is. It is not exactly that. It is broken down into more detail, but I think we are going to have to break it down even in more specifics than your request has identified it should be broken down.

Secretary RIDGE. Senator, if I may—

Senator COCHRAN. I did not mean to make a speech. I am kind of like Senator Byrd; I got carried away. I started thinking, and talking, and never got around to putting a question mark on the end of what I said.

Secretary RIDGE. I just thought it was a several-part—

Senator COCHRAN. But it is a—

Secretary RIDGE. I thought it was a several-part question, Senator.

Senator COCHRAN. I do have a question.

Secretary RIDGE. That is what I thought.

Senator COCHRAN. I will stop and let you respond to that, if you will.

Senator LEAHY. But we do know for those who have not had a chance and have been waiting here since 10 o'clock this morning to ask a question, we will get a chance before he leaves, I hope.

Senator COCHRAN. That is right. That is the only question I am going to ask.

Secretary RIDGE. Senator, let me try to be as responsive as I can to your very complex question.

Senator COCHRAN. I am sorry.

#### DETAILS OF THE REQUEST

Secretary RIDGE. First of all, with regard to the announcement at the White House and the \$4.2 billion, the request for the Department of Homeland Security is \$3.5 billion. The additional \$700 million can be broken down into \$500 million to the Department of Justice and the FBI, and the \$200 million that Senator Byrd referred to in order to absorb an additional costs that some of the other Cabinet agencies may incur as they take additional protective or preventive measures during the period of hostilities with Iraq. So, again, it is \$4.2 billion that we are requesting for homeland security, and \$3.5 billion would be distributed to the Department of Homeland Security.

With regard to the numbers, the first responders and critical infrastructure protection, I think in response to what I am sure will

be a fairly lengthy list of questions we will show you, certainly clarifies the mission and the intent around the nearly \$3 billion worth. Clearly, first responders are going to get those dollars through the Office for Domestic Preparedness. We will use the same formula that has been historically used and the approach that Congress has directed us to use in the fiscal year 2003 budget.

The Coast Guard estimate that we have arrived at to date is nearly \$600 million. There is \$400 million for their support of the war in Iraq, and about \$180 million as they help secure the ports. But there are also some critical pieces of infrastructure that we thought was necessary to put vessels and reservists so they had 24/7 protection during this period. That is, about \$180 million is what we estimate. So we will be able to give you additional dollar estimates.

And, again, it is based on cost that we know in many areas, but costs we will learn as a result of the enhanced security in the Liberty Shield program. I have talked to a couple of Governors who have assigned National Guard to power facilities or other critical infrastructure within their respective States. The cost varies a little bit from State to State, but we have a general idea of what the cost of the Guard might be. But the cost of guarding a bridge or a tunnel is a little bit different than the cost associated with guarding a nuclear power facility.

So as we go, as we work together down this path to try to get more specificity to answer the concerns that you and your colleagues have, I think clearly down the road we will have a better idea, but I think we can show you fairly specifically how most of this money is being spent. But because we cannot tell you with the precision that you would like, nor can we anticipate the needs, and we want to be prepared if the need arises to deploy people or resources as a result of this heightened state of alert, that is the reason we ask for the flexibility. But we will be as specific in our responses to you and your colleagues as we possibly can.

Senator COCHRAN. Thank you very much.

Senator Leahy.

#### FIRST RESPONDER FUNDING

Senator LEAHY. Thank you, Mr. Chairman.

Governor Ridge, thank you for your almost legendary patience. But also, you are asking for a terrific amount of money. It may all well be justified. We are in a two-front war in one sense. One is war in Iraq, and Secretary Rumsfeld spoke to us this morning about the need for money there.

You are protecting us in another war here at home which directly affects us all a great deal. That does not involve so much Iraq. Unfortunately, those who struck at us last time on September 11th came predominantly from the countries of allies of ours, Saudi Arabia, and Pakistan, and those. And so we look at that from a different point of view.

But we have to figure out where we spend the money. The Administration has decided to ask for \$8 billion of assistance to foreign nations that it considers helpful in the war against Iraq. And I know that we have a lot of countries that have lined up to join this coalition, but my guess is as well-intentioned as they are, we

will probably not get an enormous amount of help from Eritrea, or from the Cameroons, or from Bulgaria, or a number of other of our allies in this. Their good wishes are, of course, welcomed.

But the Administration has asked for \$8 billion to help these nations that may have helped us in Iraq, and will ultimately ask for billions of dollars more. The President has said that he wants to get health care for the people in Iraq. He wants to rebuild schools, wants to put millions of Iraqis back to work. I think that is a noble goal. If we are going to show that part of the world that once we go to war there, that there can be benefits, we have to do those things. But, of course, we also have to do those same things here at home.

Having requested all this money, billions of dollars for coalition partners, we have only \$2 billion for first responders here. The mayors and Governors say they need \$8 billion. I know that Senator Reid and others have talked to you about this, but if the Governors and the Mayors and all are asking for this \$8 billion, they are the ones that have to answer the 911 calls. They are the ones that are going to get called first. And I must say in my State, a lot of the fire departments and what-not are seeing they have members getting called up to the National Guard or the Reserves, so there are even further costs.

Who is right? Are these Mayors and Governors, and police chiefs—and you are a Governor—are they right? Or is the Administration right in requesting a much smaller amount?

Secretary RIDGE. Senator, I think——

Senator LEAHY. Because I get asked this question all of the time at home, so——

Secretary RIDGE. Sure. I appreciate the opportunity to respond to it. I believe at the end of the day, we are a lot closer to the dollar figure if we are prepared to take a look at the sums that are available to the States and localities and first responders as a result of the fiscal year 2002 supplemental, as a result of the fiscal year 2003 appropriation, as a result if Congress is willing to approve the supplemental that we requested for the fiscal year 2003 budget, as well as the fiscal year 2004 budget. By my calculation, Senator, there will be for terrorism preparedness, first responders, bioterrorism and the like, roughly \$8 billion to \$9 billion in this fiscal year, assuming we get the supplemental as we have requested.

And I would like to look positively at the fiscal year 2004 budget where we have a request for \$3.5 billion in there for first responders. And if you aggregate all of these dollars together and again look positively at the opportunity to get those dollars out the door sometime this year from the fiscal year 2004 budget, there is well in excess of \$8 billion there, Senator.

Senator LEAHY. Half and——

Secretary RIDGE. And that is the——

#### FIRST RESPONDER FUNDING AGGREGATE

Senator LEAHY. Two and a half billion dollars and \$3½ billion by—I was never a great math major, but——

Secretary RIDGE. Well, we have——

Senator LEAHY [continuing]. It does not add up to \$8 billion or \$9 billion.

Secretary RIDGE. Well, if I recall correctly, Congress gave to the States \$1.1 billion in your fiscal year 2002 supplemental, most of it through Secretary Thompson and Health and Human Services bioterrorism grants. Secretary Thompson administered—distributed 20 percent of those dollars so they could plan and prepare and come in with specific ideas as to how they were going to expend the balance.

There is still about \$870 million available for bioterrorism preparedness under that supplemental. You add some of the ODP dollars that are—that some of your colleagues have brought to my attention, that some of the States have not accessed yet, you are well over \$1 billion between those two sums.

You have the fiscal year 2003 budget where you have Office for Domestic Preparedness money. You have the fire grant money. And you have other dollars in there. That is well in excess of \$2 billion. So even on the conservative side, you are at \$3 billion.

If you grant the request that we have asked for first responders in the supplemental, it is \$2 billion. You are at \$5 billion. And then we have asked for \$3.5 billion in fiscal year 2004. So I am roughly in excess of \$8 billion for terrorism preparedness and bioterrorism money. And that assumes a lot of—that assumes the passage of the supplemental. That assumes passage of the fiscal year 2004 budget, or the appropriation of those dollars before the end of the fiscal year—

Senator LEAHY. Well—

Secretary RIDGE [continuing]. And one of the challenges, I say, to all of us who want to make sure we send them the right amount, and we all do.

Senator LEAHY. Well, Mr. Secretary—

Secretary RIDGE. It is not just inputs, but it is outcomes.

Senator LEAHY. It assumes a lot, but I think we could also assume the need is there right now.

Secretary RIDGE. Well—

#### GRANT FORMULAS

Senator LEAHY. I mean, the fact is the States and local communities certainly in my State, your State, Pennsylvania, and Mississippi and West Virginia, and everywhere else, they are all being asked to do a great deal. And I just want to make sure that we are doing this, if you agree—you know, we put into the USA PATRIOT Act—a small State minimum. That says a State, whether it is Mississippi, or just take a few, Mississippi or Alaska and Hawaii or West Virginia or Vermont or New Hampshire, might get the—might be guaranteed a minimum, a small State minimum. I assume that that is not a problem with the Administration.

Secretary RIDGE. No, it is not, Senator. But I do think as we take a look at the enormous sums that we are prepared to distribute, it is worth having a discussion between the executive branch, the new Department, and the Congress, and see if we reach a conclusion that the historic formula that we use under the Office for Domestic Preparedness is the best way to distribute dollars.

Clearly, we can expend any amount of money we send to the States and the cities. There are plenty of needs, some of them ter-

rorism-related, or not, but if we are going to expend terrorism dollars——

Senator LEAHY. I just want it for terrorism. I am worried about terrorism.

Secretary RIDGE. Yes. I am—I would like to engage both chambers in a bipartisan way, and we have talked to some of your leaders about it to see whether or not I can convince you, as I have concluded, that the formula we have used in the past should not be the formula we use in the future, because it does not take into consideration some of the special needs that certain communities have and certain States have that are substantially greater than others.

Senator LEAHY. So your answer——

Secretary RIDGE. And we need to——

Senator LEAHY [continuing]. Is no to——

Secretary RIDGE [continuing]. Look at it.

#### SMALL STATE MINIMUMS

Senator LEAHY. Then your answer is you do not support the small State minimum?

Secretary RIDGE. I am—I am sorry, Senator?

Senator LEAHY. Then are you saying that you do not support the small State minimum, that——

Secretary RIDGE. Oh, no, I——

Senator LEAHY [continuing]. You are looking for a different formula?

Secretary RIDGE. I think it is very important that States, large and small, have dollars so they have their training academies, that we want them to promote mutual aid agreements. And they have to have certain kinds of equipment available for them to protect their citizens to start with. So I think you start with a notion that there ought to be a baseline for the States——

Senator LEAHY. Okay.

Secretary RIDGE [continuing]. And then I think you have to recognize that some States have a much larger population and a much more complicated mission, international airports, more densely populated urban areas, perhaps more ports, not only airports but seaports, and perhaps more land borders. All of these things need to be taken into consideration in addition to perhaps threat information.

Now, Congress in fiscal year 2003 set aside \$100 million and said to us, work with the intelligence community and distribute this \$100 million to high-threat urban areas. And we are working with the intelligence community. And the criteria you gave us at that time, Senator, was helpful. You said that the Office for Domestic Preparedness should take into account credible threat, vulnerability, the presence of infrastructure of national importance, population and identified needs of the jurisdictions' public safety agencies when determining program eligibility. So I think we have a baseline to work on in the future, as we try to make sure that we expend these dollars in a most effective way.

## ADDITIONAL COMMITTEE QUESTIONS

Senator COCHRAN. Mr. Secretary, you have been very patient with our schedule, and we know that you have a schedule requirement too that is of long standing importance.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

## QUESTIONS SUBMITTED TO HON. TOM RIDGE

## QUESTIONS SUBMITTED BY SENATOR THAD COCHRAN

*Question.* Of the \$1.5 billion in supplemental funding proposed for grants to state and local preparedness activities, how much is for the equipment formula grant program to states, how much for discretionary training grants, how much is for training exercise grants?

*Answer.* The \$1.5 billion for state and local preparedness activities would support training, exercises, equipment, and planning and technical assistance. The allocation of funds among these purposes would vary according to each state's plan rather than be a fixed prescribed share that would tie the hands of states and localities.

*Question.* What is the demonstrated need for these additional funds? For example, what percent of the funds appropriated for fiscal years 2002 and 2003 for these grants has been obligated to date?

*Answer.* The fiscal year 2003 funds have just recently become available (due to the timing of the fiscal year 2003 appropriation) and we are expecting applications for those funds in the immediate future. We are expecting applications for these funds in mid-April and will begin providing funds as soon as possible after that.

All of the funds from the fiscal year 2002 appropriation have been distributed to the states. The amount the states have drawn down varies from state to state.

Our consultations with governors and state emergency preparedness officials, as well as our analysis of the threat conditions that we are operating under in the current situation, persuade us that there is a bona fide need for these funds and that the states are poised to receive them and act expeditiously in distributing them to their localities.

*Question.* Is the \$450 million for grants to states to enhance security at critical infrastructure facilities as part of Operation Liberty Shield a new program? Under what authority will these funds be provided, both to states and to local governments?

*Answer.* These funds would be authorized under Section 430(c) of the Homeland Security Act, which provides authority for DHS to make grants and would be used to respond to these unique circumstances.

*Question.* The budget request indicates that before releasing funds at critical infrastructure facilities, the Department of Homeland Security will ensure that appropriate security measures are in place for critical infrastructure sites. How will this be done?

*Answer.* The Department has been working, and will continue to work, closely with the governors and their homeland security officials in an iterative process to identify critical sites and to design the security packages appropriate for the perceived threat, vulnerability, and criticality to the nation.

*Question.* With respect to the \$50 million in additional funding proposed for protection or preparedness of major metropolitan areas, how will these funds be awarded? At the discretion of the Secretary? Only to those urban areas qualifying for the \$100 million follow-on program to the Nunn-Lugar-Domenici program funded in the Consolidated Appropriations Resolution for Fiscal Year 2003?

*Answer.* The \$50 million proposed for protection of high threat urban areas would be awarded by the Secretary based upon an analysis of the threat, vulnerability and potential impact upon the nation.

## COUNTERTERRORISM FUND

*Question.* Some might regard the proposed supplemental request for the Department of Homeland Security Counterterrorism Fund as a "slush fund" for the Secretary to use to enhance funding for any Department activity without any proper oversight by this Committee and the Congress. What is the justification for this request and the basis of the \$1.5 billion requested?

Answer. The Department welcomes the oversight of the Congress and expects the Congress to have full visibility of the expenditure of these funds. We also expect to be held accountable for how the funds are used.

We propose that there be a statutory requirement for us to notify the Congress 15 days in advance of any obligation of these funds in order to facilitate such oversight and visibility.

Of the \$1.5 billion we are requesting, about \$580 million would be allocated to the U.S. Coast Guard, whose requirements are largely dictated by the Department of Defense in support of specific operations. Thus there is a considerable degree of precision in the estimates of costs, both in the theater of operations and in CONUS in support of military loadout.

We also believe, however, that many of the circumstances that we must be able to respond to in this country with other elements of DHS are extremely fluid. Flexibility in the appropriation of the funds is necessary to enable us to surge various assets in various locations and at various strengths and configurations in response to the security threats as they evolve. The threat we face is elusive, clandestine, and opportunistic. It is not arrayed like an army on a battlefield in a discernible order of battle. It is volatile, unpredictable, and deadly. Our response needs to be matched in flexibility and agility.

*Question.* What are the current estimated additional costs of Operation Liberty Shield to each of the Department's organizations? For additional screening of visitors crossing the borders? For more secondary inspections of immigrants and visitors at the ports-of-entry? For increased inspection of high-risk cargo and goods at ports-of-entry? For additional flight hours for airspace security, protection of federal assets? Increased security between ports-of-entry? For mobilization of federal emergency response assets? Etc. Why can't account-level estimates of these additional requirements be provided to us at this time?

Answer. Simply put, because we don't know what the enemy is going to do. For that reason, as discussed above, flexibility to rapidly deploy our assets and to adjust the OPTEMPO of those assets would facilitate our ability to respond to emerging threats as they are detected. In some conceivable circumstances we might need to increase flight hours dramatically, but not necessarily screening of visitors at the same rate. Conversely, a particular threat might require a dramatic increase in the screening of visitors and cargo at ports-of-entry but not more flight hours.

Listed below are the activities of various DHS components to be funded from the request:

*Bureau of Immigration and Customs Enforcement.*—Overtime, air and marine interdiction, detention and removals, investigations, Federal Protective Service, O&M support for air assets.

*Bureau of Customs and Border Patrol.*—Overtime, operations costs, impact on user fees, logistics.

*TSA.*—Overtime for passenger screeners, operations costs, logistics, contracts, training.

*FLETC.*—Secret Service Security barriers, overtime, new protective details, upgrades for protectees, equipment.

Emergency Preparedness & Response.

Information Analysis and Infrastructure Protection.

Coast Guard.

*Question.* Is there an estimated cost of the Coast Guard for increased protection of military outload in U.S. ports, and protection of economically-critical U.S. port as part of Operation Liberty Shield. What is the estimated additional funding required by the Coast Guard for these purposes? What is the estimated additional funding required by the Coast Guard for the activation of over 6,000 reservists and forces already deployed or being deployed to the operational theatre?

Answer. The estimated cost of the Coast Guard's enhanced security operations to protect military outloads is \$220 million. Among the approximately 1,000 USCG personnel involved in theater, there are currently four Port Security Units activated and employed. The cost of operating these reserve units is \$1.3 million per month/per unit. There is an additional one-time deployment cost of \$3.5 million per unit. Additional costs of other personnel and operational units are discussed below in further discussion of Coast Guard. Total Coast Guard cost estimates for its role in Operation Iraqi Freedom and Operation Liberty Shield are \$580 million.

#### GENERAL QUESTIONS

*Question.* Sustained periods of high terrorism alert are driving the need to accelerate state and local counterterrorism preparedness and training efforts. How fast can this be done realistically?

*Answer.* Circumstances vary dramatically from state to state, and within each state. Some localities and states are farther along than others. Some have a highly evolved homeland security apparatus, others are not so advanced. Our hope is that each state will act expeditiously in this regard. Fortunately, our governors and mayors have given us clear indication that they are eager to make progress on this and are anxious for our support and assistance in increasing their level of readiness and preparedness.

*Question.* What are the additional costs to states and local governments when the threat level is raised from yellow to orange? What are the additional costs to the federal government? To each of the Department of Homeland Security organizations?

*Answer.* Our ability to estimate these costs is still in development. In fact, one of our major priorities is to design the necessary systems to capture these costs and to model costs. Generally, agencies reprioritize their operations in order to support such costs and to the extent possible absorb them within existing resources. In fact, this supplemental request does not include any cost specifically for operations at condition orange, other than for the Coast Guard. Rather, these costs are estimates of the resources required for efforts under Liberty Shield, and those estimates are shown in a previous response.

*Question.* Are there any additional unmet Department of Homeland Security supplemental funding needs not related to the heightened threat of terrorism as a result of the Iraq war which are not addressed by this supplemental request? For example, disaster relief, especially in light of the additional cost of the Columbia recovery efforts?

*Answer.* These estimates cover Liberty Shield efforts in response to the increased threat as a result of the Iraq war. We are working with the DHS components to evaluate and solve other issues not related to the Iraq war.

#### SECRET SERVICE

*Question.* What are the costs of the Secret Service's Operation Liberty Shield activities?

*Answer.* The request is intended to cover the types of activities and efforts noted above. It is important to note that the funds required would depend on the threat and duration. For this reason the President has requested a total of \$1.5 billion for the Counterterrorism Fund with flexibility in the allocation of those funds.

*Question.* Does the Secret Service have any other supplemental funding needs at this time?

*Answer.* Funding provided through the Counter Terrorism fund will be used to support costs associated with Operation Liberty Shield. Should other requirements emerge, the Department would work closely with the Secret Service to determine the most appropriate manner in which to address those requirements.

#### FEDERAL LAW ENFORCEMENT TRAINING CENTER

*Question.* Does the Federal Law Enforcement Training Center have additional supplemental funding needs associated with training and security requirements?

*Answer.* As noted above FLETC is expected to receive additional funds under the supplemental request for enhanced training requirements.

#### UNITED STATES COAST GUARD

*Question.* What is the total fiscal year 2003 supplemental funding request for the Coast Guard? Is this amount adequate to support all of the homeland security needs of the Coast Guard at home during this time of heightened alert and abroad to the Department of Defense with the War in Iraq?

*Answer.* The Coast Guard has requested \$580 million to cover the estimated incremental costs of (1) supporting Coast Guard deployed forces to the IRAQI FREEDOM Operational theater in response to the Joint Commanders (EUCOM & CENTCOM) mission requirements, (2) providing an enhanced security posture for strategic ports of embarkation during the combatants' initial sea-lift and throughout the remainder of the campaign, and (3) providing an enhanced security posture within several of our major economic ports in response to the Department of Homeland Security's direction to increase the Coast Guard's security posture to Threat Condition ORANGE. The \$580 million amount is estimated to be sufficient, given current operational planning requirements and threat assessments, to cover all necessary fiscal year 2003 costs above the Coast Guard's fiscal year 2003 appropriated amount through the end of the fiscal year.

*Question.* The Coast Guard's only official comment to the Committee regarding the supplemental request has been to say that if it receives the full supplemental



amount being discussed by the Department of Homeland Security, then it will have enough money to pay its bills. What does that mean? Which bills, and for how long? Does this include personnel costs, equipment costs, infrastructure and technology upgrades?

*Answer.* Based on current threat assessments and operational planning requirements for both IRAQI FREEDOM and LIBERTY SHIELD the Coast Guard has estimated there will be \$580 million of fiscal year 2003 expenses above the Coast Guard's fiscal year 2003 Appropriation for the direct and support costs of its maritime operations. The Department of Homeland Security and the Office of Management and Budget have agreed to support this funding level for the Coast Guard's fiscal year 2003 incremental operational costs. These costs do include special pay, reserve pay, personnel support costs and entitlements and the incremental mission and operations costs.

*Question.* Are there increased costs for personnel and equipment associated with the increased threat level, such as when we move from yellow/elevated to orange/high and then to red/severe? Are more resources required to accomplish the security goals associated with each threat level?

*Answer.* The Coast Guard's annual Operating Expenses Appropriation is sufficient to provide for Threat Condition YELLOW for each fiscal year. More resources are required to increase the surge capability of Coast Guard forces in order to satisfy the operational requirements for Threat Condition ORANGE. Under certain circumstances those resources can be made available through internal reprioritization. At other times, as with the specific operational requirements of Operation Liberty Shield, combined with the Coast Guard's support of Operational Iraqi Freedom, additional funds are needed.

Threat Condition ORANGE can be enacted regionally or within single ports.

Currently there are no significant costs attached to increasing the Coast Guard's Threat Condition from ORANGE to RED, because at Threat Condition RED only a few additional resources are mobilized for what is expected to be a short period of time.

*Question.* How many reservists have been called back to active duty to assist with the Coast Guard's homeland security initiatives at home and abroad? What is the monthly cost associated with each reserve unit?

*Answer.* As of 30 March, 2003 approximately 4,000 Coast Guard Reservists have been recalled to active duty to perform homeland security initiatives at home and abroad. Most reserves do not serve in reserve units as is the case with the other military services. However, our Port Security Units are reserve units and four have been deployed and are serving in the IRAQI FREEDOM operations theater. The estimated monthly cost for each Port Security Unit is approximately \$1,300,000. There is an additional estimated one time cost of approximately \$3,500,000 for each Port Security Unit for sea-lift, pre-deployment training and outfit, and post-deployment recapitalization and repair.

*Question.* Of the total fiscal year 2003 supplemental request for the Coast Guard, how much funding supports Department of Defense activities associated with the War in Iraq?

*Answer.* Contained in the Coast Guard's request for \$580 million is approximately \$400 million to provide for the incremental costs for Department of Defense operations associated with IRAQI FREEDOM. The \$400 million includes approximately \$220 million for domestic port security in military outload ports and approximately \$180 million for deployment of Coast Guard forces in support of the EUCOM and CENTCOM Combatant Commanders.

*Question.* What are the monthly operating costs for each of the four port security units that have already been deployed overseas?

*Answer.* The estimated monthly operating cost for each of the four port security units that have already been deployed overseas is \$1,300,000 per month or \$5,200,000 per month for all four deployed port security units. Additionally each unit has an estimated \$3,500,000 of one-time costs in sea lift (in and out of theater) and recapitalization and repair for a total of \$14,000,000 of one-time costs for all four units.

*Question.* What are the monthly operating costs for each of the eight 110 foot patrol boats that have already been deployed overseas?

*Answer.* The estimated monthly operating cost for each of the eight 110 foot patrol boats already been deployed overseas is \$120,000 per month or \$960,000 per month for all eight deployed patrol boats. Additionally, each unit has an estimated \$4,600,000 of one-time costs for sea lift (in and out of theater), pre-deployment outfit and reconstitution and repair for a total of \$36,800,000 of one-time costs for all four units.

It is also important to note that two Mobile Support Units also deployed, one with each four boat, patrol boat squadron. As patrol boats have extreme limitations for onboard spares, the Mobile Support Unit provides necessary in-theater logistics and intermediate maintenance support. The estimated monthly costs for each Mobile Support Unit is \$600,000 per month and each Mobile Support Unit has a one-time cost of \$3,500,000 for sea-lift, pre-deployment outfit and post deployment reconstitution.

*Question.* What are the monthly operating costs for each of the two 378 high endurance Coast Guard cutters that have already been deployed overseas?

*Answer.* The estimated monthly operating cost for each of the two 378 foot, high endurance Coast Guard cutters that have already been deployed overseas is \$380,000 per month. Additionally, each unit has an estimated \$3,700,000 of one-time costs for pre-deployment equipment and post-deployment reconstitution and repair.

*Question.* It is my understanding that one of the Coast Guard's newest and most technologically advanced Buoy Tenders, which has the capability to skim oil and lift heavy equipment, is currently operating overseas. What is the monthly cost associated with this Buoy Tender?

*Answer.* The estimated monthly operating cost for the Coast Guard 225 foot, ocean-going Buoy Tender, that has already been deployed overseas is approximately \$300,000 per month. Additionally, this cutter has an estimated \$2,100,000 of one-time costs for pre-deployment equipment and post-deployment reconstitution and repair.

*Question.* Does the supplemental request include funding for any post-war related costs, such as bringing Coast Guard personnel and assets back home, and the general maintenance and repair to restore equipment to its pre-war capacity?

*Answer.* Included in the Coast Guard's \$580 million supplemental request is approximately \$52 million for both transportation of Coast Guard forces to and from theater, and recapitalization and reconstitution of equipment to restore to pre-war capacity and capability. Recapitalization and reconstitution includes the restoration of inventories for deployed support commands, as well as hull inspection, repair, and general maintenance overhaul for deployed cutters.

*Question.* Does the Coast Guard plan to leave any assets overseas as part of the President's plan to assist the Iraqi people in rebuilding their country and developing a democracy? If so, which assets and what would be the responsibility of the Coast Guard regarding those assets and the cost incurred by the Coast Guard in support of those assets?

*Answer.* The Coast Guard has not received any request from any agency thus far, regarding the use of Coast Guard assets in the post-hostilities period.

*Question.* How much of the supplemental funding would be for the protections of military outload in U.S. ports?

*Answer.* Included in the Coast Guard's \$580 million supplemental request is approximately \$220 million for the protection of military outload in U.S. ports. The establishment of this MARSEC II condition in these critical ports began in January and will continue as long as forces deploy from U.S. ports in support of the Combatant Commanders time-phased force deployment plan.

*Question.* Of the total fiscal year 2003 supplemental request for the Coast Guard, how much funding supports domestic homeland security efforts? Please provide a breakdown of the costs associated with each initiative.

*Answer.* The Coast Guard is providing critical increased homeland security efforts through two specific initiatives, military outload port security as part of IRAQI FREEDOM, and enhanced strategic economic port maritime security as a component of LIBERTY SHIELD. Contained in the Coast Guard's supplemental request is approximately \$220 million for military outload security and \$180 million for LIBERTY SHIELD. The supplemental request contains funding to meet current LIBERTY SHIELD estimates and will be refined as the Secretary and the Commandant reassess port security threats.

*Question.* Does the supplemental funding request include money for any non-homeland security initiatives of the Coast Guard? If so, how much funding is for each initiative?

*Answer.* The supplemental funding request for the Coast Guard includes only those incremental costs associated with the Coast Guard support of Operation Iraqi Freedom and Operation Liberty Shield.

#### TRANSPORTATION SECURITY ADMINISTRATION

*Question.* The President's supplemental spending bill assumes \$120 million in additional monies for the Transportation Security Administration in part to hire addi-

tional screeners and to provide additional funding for overtime pay for federal screeners.

With the statutory cap in place to limit the hiring of screeners already exceeded, how do you anticipate hiring additional screeners?

Answer. TSA has not exceeded the statutory cap. The cap is on full-time permanent employees only, not all employees. TSA has about 40,000 full-time permanent employees at this time, and is therefore under the statutory cap of 45,000. There is no cap on total screeners. DHS' goal is to reduce the number of TSA screeners to 51,000 by the end of the fiscal year.

*Question.* Do you intend on obligating the carryover of funds from previous years for the purchase of more Explosive Detection Systems or will the Transportation Security Administration be able to buy additional devices with the money provided in the President's supplemental spending bill?

Answer. DHS is reviewing TSA's overall fiscal year 2003 spending plan, including funds for all EDS purposes. As soon as a definite plan is approved, DHS will share it with the Congress.

#### EMERGENCY PREPAREDNESS AND RESPONSE

*Question.* What is the total fiscal year 2003 supplemental funding request for the Emergency Preparedness and Response Directorate? Of this total, how much funding is for operating expenses, personnel costs, equipment and technology upgrades, etc.?

Answer. The estimate for EP&R is approximately \$15 million. These funds would be used for such activities as standing up 6 US&R teams in a readiness mode for immediate response to terrorist incident throughout the country; maintaining national medical response teams on alert status; placing disaster medical response teams on alert status; placing EP&R EST and regional operations centers on "watch" status; supporting COOP activities, if needed; and providing some secure communications capabilities.

*Question.* Is this amount sufficient to meet the needs of Emergency Preparedness and Response?

Answer. This estimate supports Liberty Shield-related efforts for a limited duration. Should additional efforts be required, the President's request provides for the resources and flexibility to permit funds to support extended efforts in this area as well as others.

*Question.* Does the supplemental funding request include money for any non-homeland security initiatives? If so, how much funding is for each initiative?

Answer. All of the funds being requested in the Counterterrorism Fund are for homeland security initiatives. The request of \$580 million for Coast Guard would provide approximately \$400 million for OCONUS and in CONUS operational support of DOD efforts in support of Operation Iraqi Freedom. An additional \$180 million would support requirements in CONUS and are in support of Liberty Shield.

*Question.* The Federal Emergency Management Agency (FEMA) was put in charge of the shuttle Columbia recovery effort, and has spent approximately \$178 million to date. However, as the mission to recover debris continues, so does the spending. Does the supplemental funding request include money to reimburse FEMA for any portion of the expenses incurred as a result of this extraordinary event? If not, why not?

Answer. This supplemental request is limited to war-related requirements and thus contains funding for Liberty Shield only. The Administration is actively engaged in the process of assessing the resource requirements and determining appropriate funding mechanisms related to the shuttle disaster.

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#### QUESTION SUBMITTED BY SENATOR KAY BAILEY HUTCHISON

*Question.* As you know, our ports have worked to ramp up security measures. Many of the ports in my home state of Texas are in the petrochemical and hazardous material shipping business, which could be a terrorist target. How do the funds requested address the need for increased security investments in America's Ports?

Answer. The supplemental funds requested include money required for increased Coast Guard security activities in and around critical ports like those along the Coast of Texas for the duration of Operation Liberty Shield. The \$450 million included in the request to assist states and municipalities in protecting critical infrastructure is available for port facilities. Funds for Port Security Assessments and enhanced protection of critical infrastructure, like port facilities, are included in the President's fiscal year 2004 Budget request.

*Question.* Perhaps the most visible change in homeland security since 9/11 has taken place in our airports. In the fiscal year 2003 Omnibus Appropriations bill, we designated \$265 million for the installation of Explosive Detection Systems (EDS) to screen every checked bag. Our largest airports have not yet installed EDS, and they have only until the end of the year to do so, yet TSA has refused to sign any letters of intent with airports to release any part of the EDS funding.

Is there funding in this Supplemental to install EDS systems and when will TSA start using the funds we have already appropriated?

*Answer.* While the Supplemental does not include additional funds for EDS, DHS is working to develop a process that will expedite the application of funds already appropriated to support EDS installations.

*Question.* How much funding will TSA need to complete the job of installing EDS at all of the commercial airports in the country?

*Answer.* Funding provided in previous appropriations acts will ensure that EDS will be installed in all airports. It is estimated that \$3 billion to \$4 billion will be necessary to support the purchase and installation of EDS/ETD. In those airports where an in-line EDS installation is desired additional resources may be needed on the part of both the airport and the federal government.

*Question.* Is there sufficient funding in this Supplemental, coupled with funds already appropriated for this purpose, to cover the expenses mandated by Congress for EDS systems?

*Answer.* While the Supplemental does not include additional funds for EDS, DHS is working to develop a process that will expedite the application of funds already appropriated to support EDS installation.

*Question.* When will TSA begin signing Letters of Intent with our airports that will permit them to finance their part of EDS expenses?

*Answer.* DHS is working to determine the use of LOI authority in fiscal year 2003. No decisions have been made at this time.

*Question.* We have a clear priority to protect our food supply and vital agricultural economies. One protective measure is to develop methods for rapid detection and identification of plant and animal disease, so we could quarantine an incident before a devastating outbreak occurs. Does the funding requested address agricultural bio-terrorism? If so, will that funding help strengthen America's research and development capacity with institutes of higher education that have a demonstrated expertise in animal and plant disease research?

*Answer.* The President's Request contains funds to enhance security at land, air, and sea ports of entry against all introduced threats. This includes supplemental operational funds for the Bureau of Customs and Border Protection where all Agricultural Quality Inspectors now serve. There is an additional \$365 million included in the President's fiscal year 2004 DHS Budget for research on countering biological threats, including high volume contamination of food supplies.

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#### QUESTION SUBMITTED BY SENATOR ROBERT C. BYRD

##### VULNERABILITIES

*Question.* As this committee tries to determine how best to meet this threat, it would be very useful to have your assessment of the ten vulnerabilities that you are most concerned about. If you could provide us a conceptual response today and a classified response in writing before mark up next week, it would be most helpful.

*Answer.* While there is not a list of ten vulnerabilities of "most concern" there is some planning guidance that has helped DHS to focus priorities for protective measures in the first few weeks of operations. The guidance is not all-inclusive and will certainly change as the threat environment, business processes and technologies, and public health and safety issues change.

1. Terrorist use of infrastructures to propagate an attack:
  - Food processing centers and distribution systems
  - Water supplies that are vulnerable to contamination
  - Piping systems delivering petroleum products
  - Confined spaces such as rail and air transportation systems that could be used to spread contamination or illness.
2. Infrastructures that would magnify the effect of a terrorist attack by causing significant loss of life:
  - Chemical facilities in close proximity to large populations
  - Nuclear Power Plants and nuclear fuel storage facilities
  - Large dams
  - Liquid Natural Gas storage facilities.

3. Infrastructures that could magnify the effect of a terrorist attack by causing catastrophic economic damage:

- Electric and telecommunications systems
- Transportation Systems
- Data storage and processing facilities and major financial centers
- Major petroleum handling facilities such as pipelines, ports, refineries and terminals.

While the categories listed above are general in nature they provide the basis for further analysis that takes into account consequences of attack, the threat and the ability to recover from an attack. The resultant risk analysis provides the specific facilities or sectors of concern at any given time and it is the risk analysis that will be used to prioritize specific protective recommendations and measures. The risk analysis will change depending on the threat.

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QUESTION SUBMITTED BY SENATOR TOM HARKIN

*Question.* I am very concerned that the supplemental request is insufficient in homeland defense.

I am concerned that the Department is not integrating our need to fight terrorism and to have that capability, where possible, effectively available for natural disasters as well. It took a long time. But, FEMA became a very effective organization over the past 10 years. We need to maintain those capabilities.

On 9/11, terrorists took aircraft and used them as bombs. What else might they use as bombs such as chemical plants? What else might they do that kills Americans and damages our economy—brittle points like major rail bridges and key electricity nodes?

The Department has, I understand, called upon the states to protect about 250 very critical asset protection points in our nation but I am told that the funding for that protection is not adequate. Iowa alone has identified about a 1,000 highly rated key assets in our state with 2 being on that national list.

First: Have enough nationally designated very critical asset protection points that our governors have been asked to protect been designated? To what extent is the number of sites set based on the cost to the Federal Government? Frankly, I am surprised that so few points have been designated.

*Answer.* In preparation for hostilities against Iraq, the Department of Homeland Security made contact with state and territorial governors and homeland security advisors and asked them to assess critical infrastructures and key assets within their jurisdictions that met the following criteria:

- Public water systems serving large population centers
- Chemical facilities in close proximity to large population centers
- Major power generation facilities that exceed 20,000 MW and if successfully attacked could disrupt the regional electric grid
- Hydroelectric facilities and dams that produce power in excess of 2,000 MW or could result in catastrophic loss of life if breached
- Nuclear power plants
- Electric substations 500 KV or larger, and substations of 345 KV or larger that are part of a critical system supporting populations in excess of one million people
- Rail and highway bridges over major waterways that, if destroyed, would cause catastrophic economic loss
- Major highway tunnels under waterways that, if attacked, would cause catastrophic loss of life or catastrophic economic loss
- Major natural gas transmission pipelines in excess of 3,000 bcf throughput
- Natural gas and liquid natural gas storage facilities
- Major petroleum handling facilities such as ports, refineries and terminals
- Major transit subway systems and their supporting ventilation systems
- Primary data storage and processing facilities, major stock exchanges and major banking centers.

Governors/state homeland security advisors were provided with examples of facilities/systems within each of their states that met these criteria from a federal perspective. These references were intended as examples only, and were not meant to represent a comprehensive or exhaustive “list” of potentially critical targets within their jurisdictions. This discussion is consistent with the Department’s responsibility to coordinate with states and localities, and does not imply that the entire cost of site protection can or should be federalized. Many of these sites, such as nuclear plants, are already incorporated into existing preparedness and protection plans.

Homeland security advisors were asked to assess the requirement for enhanced protection for facilities/systems meeting the above criteria within their jurisdictions during the period of armed hostilities with Iraq. The Supplemental request included \$450 million in state grants for this purpose, of which localities would receive at least one-third. Specific security plans and protective measures will be left to the discretion of governors/state homeland security advisors. DHS will ensure that these plans are adequate before awarding supplemental funds.

*Question.* Second, are we developing solid plans in conjunction with local authorities to best protect broader categories of sites such as the 1,000 high asset points Iowa has identified and what should the responsibility of the federal government be to bear the costs involved in protecting the broader category of sites?

*Answer.* The federal government is assisting states and localities in protecting sites because of the unique requirements of Liberty Shield. Out of necessity, Federal assistance must be prioritized to secure those facilities that best fit the criteria above. Our simultaneous efforts to enhance state and local terrorism preparedness programs represent a longer term commitment. The equipment, training, and planning resources provided by the Office for Domestic Preparedness will be tied to state and local plans for protecting both people and property from terrorism.

*Question.* Third, what is the full cost for the protection of the approximately 250 very critical asset protection points that governors have been asked to protect.

*Answer.* The Administration requests \$450 million to assist with the protection of critical infrastructure assets. We are working together with the governors to identify the sites that would be funded. A variety of risk analysis criteria would be used in selecting such sites and would include such factors as terrorist use of infrastructures to propagate an attack, infrastructures that would magnify the effect of a terrorist attack by causing significant loss of life, infrastructures that could magnify the effect of a terrorist attack by causing catastrophic economic damage. It is important to note that these criteria are not all-inclusive and that the analysis would change depending upon the threat. Given these uncertainties, the total cost is unknown at this point, but the Supplemental amount will provide a significant boost to the state and local resources currently available.

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#### QUESTIONS SUBMITTED BY SENATOR PATTY MURRAY

##### INADEQUACY OF \$1.5 BILLION REQUEST FOR DHS COUNTERTERRORISM FUND— CONGRESSIONAL EARMARKS FOR OTHER PURPOSES

*Question.* Secretary Ridge, your supplemental request includes \$1.5 billion that you want appropriated in a lump sum for the enhanced operating costs of agencies like the Transportation Security Administration, the Coast Guard, the Border Patrol, the Customs Service and several other agencies. With all respect, I believe that you have asked for this money in a lump sum to hide the fact that the combined supplemental needs of these agencies greatly exceed \$1.5 billion.

I have heard rumors indicating that you have not requested adequate supplemental funds for the Transportation Security Administration because you plan instead to ignore Congressional directives and divert funds away from security initiatives that the Congress funded without any request from the Administration. These initiatives include funds to better secure our ports, funds to reimburse airlines for security costs, and funds to modify airports. My suspicions are heightened because you have not yet spent hundreds of millions of dollars in these areas that were granted to you in 2002.

For example, in the area of container security, the TSA received \$28 million for Operation Safe Commerce in 2002 and another \$30 million in 2003. To date, you have not spent a penny of this money. This is an initiative I authored to enable the TSA to ensure the security of the six million containers that enter our ports each year by monitoring their movement from the time they are loaded to the time they are unloaded.

Can you assure me that you intend to spend the entire \$58 million that has been appropriated to date for Operation Safe Commerce and you do not intend to divert this funding to other uses?

*Answer.* DHS is reviewing its overall fiscal year 2003 spending plan, including funds for Operation Safe Commerce. As soon as a definite plan is approved, DHS will share it with the Congress. We will also provide a schedule for awarding any grants.

*Question.* The TSA promised me that the 2002 funds for Operation Safe Commerce would finally be spent by the end of February. Now, they are telling me that

we will be lucky if this money is spent by June. There are only three port areas eligible to receive these funds.

What explains this delay in getting these funds out the door?

Answer. Due to the fact that Transportation Security Administration was operating under a continuing resolution from October to February and was severely constrained in the amount of funding it could commit to new projects while executing aviation mandates, the Request for Application for Operation Safe Commerce Cooperative Agreement Program was delayed by several months.

*Question.* What is your new target date for making grants for the funds you have received in 2002?

The additional \$30 million that was appropriated for fiscal year 2003 for Operation Safe Commerce is required to be distributed subject to the same terms and conditions as the funds provided for 2002. Given that fact, how much longer will it take you to expend the funding provided for fiscal year 2003? What is your target date to make grants for the 2003 funds?

Answer. The application closing date for Operation Safe Commerce was March 20, 2003. Representatives from the Border and Transportation Security Directorate including TSA, as well as the U.S. Coast Guard, and the Departments of Transportation and Commerce are evaluating the applications. Evaluation and selection estimated to be completed by early May with award announcement following contract negotiations and congressional notification estimated for early July.

*Question.* How do you respond to the assertion that has been made by some observers that you plan to ignore Congressional mandates included in the fiscal year 2002 Supplemental and fiscal year 2003 Omnibus Appropriations Bills and not actually spend funds that were provided specifically for port security grants, airport modifications and other Congressional priorities?

Answer. We are continuing to work to finalize the budget execution plans for use of available fiscal year 2003 appropriated funds. The Department's plan will ensure that funds are expended in accordance with language contained in the appropriations bills.

#### DETAILS OF THE \$1.5 BILLION REQUEST FOR THE COUNTERTERRORISM FUND

*Question.* In your verbal testimony, you stated that your request for the Coast Guard totals \$580 million. You also stated that your request for the Transportation Security Administration totals \$100 million. While recognizing that you have requested flexibility to move funding between such activities, please provide a detailed accounting for the full \$1.5 billion requested for the Counterterrorism Fund. Please provide this detailed accounting utilizing the accounts and sub-accounts under which these activities are customarily appropriated. Please also provide a detailed explanation of the purposes that you envision for each of these requests.

Answer. Listed below are the various DHS components and activities to be funded from the request:

*Bureau of Immigration and Customs Enforcement.*—Overtime, air and marine interdiction, detention and removals, investigations, Federal Protective Service, O&M support for air assets.

*Bureau of Customs and Border Protection.*—Overtime, operations costs, impact on user fees, logistics.

*TSA.*—Overtime for passenger screeners, operations costs, logistics, contracts, training.

FLETC

*Secret Service.*—Security barriers, overtime, new protective details, upgrades for protectees, equipment.

Emergency Preparedness & Response.

Information Analysis and Infrastructure Protection.

Coast Guard.

#### 24-HOUR MANIFEST RULE—LACK OF ACTION BY CANADA OR MEXICO

*Question.* Secretary Ridge, I want to raise another Port Security issue. There seems to be a policy emerging in the Administration that not only grants the terrorists a huge loophole to disrupt our commerce, but also threatens to take jobs away from American workers and send them to Canada and Mexico. Your Bureau of Customs and Border Protection has begun implementing a rule requiring shippers at foreign ports to report their cargo manifest 24-hours before they leave for the United States.

While this requirement is important in your effort to get more information about what is coming into the United States, the Canadian and Mexican governments have not implemented a similar rule.

As a consequence, pennywise shippers have begun to use Canadian ports to evade the rule by shipping goods to Canada, and then using rail to bring them into the United States. Meanwhile, the Customs Service is not subjecting those containers that come over from Canada with any additional scrutiny.

I have spoken with Robert Bonner about this important issue.

Is the Bush Administration doing anything to try to close this security loophole and keep these port jobs in the United States?

At a minimum, if the Canadian and Mexican governments don't pass a similar 24-hour rule, shouldn't the Customs service begin inspecting these containers coming over the border more rigorously since so little is known about their contents?

Have you heard anything to the effect that the Canadians are now prepared to implement a rule similar to the 24-hour rule we have in the United States? If so, when do you expect them to implement it?

Answer. The Bureau of Customs and Border Protection continues to discuss with the CCRA their potential adoption of a similar 24-Hour Cargo rule. We believe that it is quite likely that they will adopt such a rule in the near future. In addition, BCBP is monitoring the volume of sea containers moving into ports such as Seattle and Tacoma, and is targeting containers in-transit to the United States through Vancouver, Montreal, and Halifax. Through these measures, BCBP can ensure that any containers that are routed to avoid the 24 hour rule receive appropriate scrutiny.

BCBP has not had any discussion with Mexican Customs about implementing the 24-hour cargo rule, but BCBP will begin monitoring volumes of sea containers arriving in Los Angeles/Long beach, as well as those crossing the Mexican border to determine if there is any diversion of cargo.

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#### QUESTIONS SUBMITTED BY SENATOR MARY L. LANDRIEU

##### COAST GUARD FUEL SHORTAGES

*Question.* Mr. Secretary, in the President's submission, the Department of Defense is asking for \$400 million to cover increased fuel costs for the military. However, there is no corresponding request for your department. This is an oversight that has happened under both administrations in my view. Given the operations tempo of the Coast Guard and Customs Service at this time, do they not also have a considerable challenge in meeting increased fuel costs. Can you give us an estimate of what they might be?

Answer. The supplemental includes funds for additional gas and oil costs with respect to the Air and Marine Interdiction. In addition, money is requested for increased vehicle maintenance and fuel costs for the Border Patrol. The additional operating funds requested for the Coast Guard include the cost of additional fuel expenditures.

##### FIRST RESPONDER FUNDING

*Question.* Mr. Secretary, the President's submission includes an additional \$2 billion for ODP grants. Can you tell me how many requests you have from states for these monies? How many requests the ODP received last year, and any anticipated shortfalls from 2003 funding?

Answer. With respect to the requested \$2 billion supplemental, no formal requests have been received although requests from all eligible states and territories are expected once these funds become available. All 56 eligible states and territories submitted requests for available fiscal year 2002 grants. The \$2 billion supplemental and the \$566.3 million made available through the fiscal year 2003 Omnibus appropriations together will address state and local first responder requirements. The application period for these funds was opened on 7 march and will close in mid-April.

##### DISTRICT OF COLUMBIA

*Question.* Mr. Secretary, given that the D.C. Metropolitan government is solely responsible for security of mass transit, and a number of other vital infrastructures here in Washington, why is it that the President's submission includes nothing to cover what most analysts have identified as the number 1 target city in the country?

Answer. Recent appropriations have already provided substantial support for various aspects of security within the Washington metropolitan area:

—The District of Columbia is expected to apply for and receive funding from the enacted fiscal year 2003 ODP appropriation.

—The fiscal year 2002 Emergency Response Supplemental Appropriation provided \$200 million for the District of Columbia, including:



- \$86 million for Security of District-area mass transit and vital infrastructures:
  - \$26 million for increased security at District buildings and public schools
  - \$21 million for improvements in emergency traffic management
  - \$39 million for increased security measures within the Washington Metropolitan Transit Area Authority subway and bus system
- \$114 million for first responder and regional coordination needs:
  - \$64 million for first responder equipment and training
  - \$45 million for first responder land-line and wireless communication system
  - \$5 million for regional emergency planning and coordination.
- In addition, the Administration released \$6 million to reimburse the city for immediate response activities and \$10 million to WMATA to support increased security for the Washington public transportation system from the fiscal year 2002 emergency supplemental.
- The District of Columbia fiscal year 2002 Annual Appropriation included \$13 million to develop and implement an emergency response plan, as well as support emergency response spending.
- The Administration proposed, and Congress appropriated, \$15 million for the public safety fund in the fiscal year 2003 omnibus appropriation.
- If the supplemental request is enacted the Office for Domestic Preparedness will be providing additional funds in fiscal year 2003, some of which would also be available for D.C.

#### COUNTER TERRORISM FUND

*Question.* Mr. Secretary, the President has requested the creation of two contingency funds for counter terrorism in this bill. One for the Department of Justice, one for the Department of Homeland Security. The descriptions of both funds are extremely vague. Can you describe any meaningful distinction between what your fund might be used for, versus what the Attorney General needs a contingency fund for? Secondly, if you are able to estimate how much you need for contingencies, why is this amount not included in the President's ordinary budget submission?

*Answer.* We work closely with the Department of Justice who continues to be a close partner in our efforts to make America safer. We would however defer to the Department of Justice for explanation of the planned uses for the DOJ contingency fund. However, with respect to the Department of Homeland Security, the request for funding in one account to reimburse our DHS components, as needed, provides the Department with the best tool to meet these changing situations.

For the DHS components other than the Coast Guard, we have estimated potential costs associated with Liberty Shield and the war in Iraq. As our estimates are being constantly refined and we will keep the Committee updated. The Coast Guard estimates are more directly tied to support of the Defense requirements and therefore are more precise in the funding need.

This funding is intended to cover costs associated with Operation Iraqi Freedom and Operation Liberty Shield which were initiated after the fiscal year 2004 Budget was developed. It would respond to immediate requirements associated with those operations.

#### UNFUNDED REQUIREMENTS LIST

*Question.* Mr. Secretary, the Department of Defense, at the request of this committee, and the authorizing committees has developed something called an unfunded requirements list. This is a document that identifies items which are recognized "requirements" of the DOD, but for one reason or another, were not funded in the President's budget. Is the Department of Homeland Security creating such a list, and if not, will you, Mr. Secretary work with this committee to establish such a practice?

*Answer.* The Department does not have an unfunded requirements list. We have no plans to formulate such a list, but, in coordination with the Administration, will explore with the Committee issues in this area.

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#### QUESTIONS SUBMITTED TO HON. DONALD H. RUMSFELD

#### QUESTIONS SUBMITTED BY SENATOR KAY BAILEY HUTCHISON

*Question.* I am proud of our servicemen and women who are serving with distinction in Operation Iraqi Freedom, and want to ensure the Department of Defense has what it needs to swiftly win this war. As the Chairman of the Subcommittee for

Military Construction appropriation, I have a special interest in the \$200 million request for military construction funds, and ask the Department of Defense to provide an overall plan for military construction projects in the Middle East.

Answer. We are requesting \$5 billion for military construction in the fiscal year 2004 request and \$18 million for Baharain in SWA. Since 9/11 we have requested \$128.6 million in military construction in the CENTCOM Area of Responsibility (AOR) and \$63.1 million Defense Emergency Response Funds (DERF) for military construction in the CENTCOM AOR. We will brief the House and Senate on the CENTCOM AOR when you want the brief.

*Question.* Do the funds requested to cover personnel pay—and more specifically imminent danger pay—consider a percentage increase in the imminent danger pay for our men and women serving abroad?

Answer. No. The funds requested in the supplemental are based on current authorities governing Hostile Fire Pay (HFP)/Imminent Danger Pay (IDP). Current law allows \$150 per month for personnel serving in a qualifying region for HFP/IDP, who would not have otherwise been in that region. The estimated incremental cost for HFP/IDP at current pay rates for potential military operations to disarm Iraq is \$370 million.

*Question.* Is the Defense Department continuing its transformation during Operations Iraqi Freedom and Enduring Freedom, and if so, how does this budget request support transformation?

Answer. Yes, the Department is continuing with undiminished vigor its transformation of the U.S. military and defense establishment. This transformation will greatly enhance our ability to carry out operations such as these in the future. The Department's transformation efforts are not undermined by military operations in Iraq and the global war on terrorism. Our leadership can accomplish multiple missions at once. Moreover, many of the DOD professionals most heavily involved in transformation do not have a direct or extensive role in these two operations.

This fiscal year 2003 supplemental appropriations request supports transformation because it finances the incremental costs of these operations. Without full and prompt approval of the supplemental, some funding from transformation investments might need to be diverted to pay those costs.

*Question.* Mr. Secretary, you have requested \$25 million in Air Force military construction funds to build a parallel taxiway at a classified location. I'm told that project is already under construction using Operations and Maintenance funds.

Is this project already under construction, and if so, how was it paid for?

Answer. The Air Force is using O&M funds and it is 5 percent complete. The Air Force made an error and will de-obligate the O&M funds and obligate the military construction funds.

*Question.* If it is already under construction, why are you seeking appropriations for it in this supplemental?

Answer. We have told the Air Force they erred and must de-obligate the O&M funds. When the Air Force de-obligates the O&M funds, we require the military construction funds to execute the project.

*Question.* We're also told that there is no longer a requirement for the C-130 aircraft parking apron at a classified location, for which you have requested \$11 million. Can you clarify whether that requirement is still valid?

Answer. While the facility does not meet the definition of a military construction project, i.e. we do not have a basing agreement with that country and therefore, do not have operational control of the base. However, we will use the facility indefinitely. Since we will use the facility indefinitely, the project is categorized as a military construction project.

With regard to the requirement, the existing C-130 aircraft parking apron is close to the perimeter of the airfield. As such, the C-130 aircraft is subject to terrorism. By moving the C-130 aircraft parking apron away from the perimeter, we can protect the planes. Therefore, I believe we need this facility.

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#### QUESTION SUBMITTED BY SENATOR SAM BROWNBACK

##### IRAQI NATIONAL CONGRESS (INC)

*Question.* Although authorized by Congress, the State Department has yet to fully find the Iraqi National Congress (INC) to turn on TV Liberty. This means that a critical direct communication link from opposition Iraqis to the Iraqi people, is not operational even now that we are at war. The delay has been going on over several years—always blamed on technicalities.

The INC now has a military liaison with them in Northern Iraq. It is my understanding that his liaison is recommending that the Department of Defense provide mobile communication units to enable the Iraqi opposition to link their information into CENTCOM as well as talk with the Iraqi people inside Baghdad. This seems like a very logical approach. Will you support this request and are you exploring other means to support the INC?

Answer. We are working with the INC and other elements of the Iraqi Opposition to help achieve our shared goals in Iraq. We are evaluating several options for using U.S. equipment to leverage the Opposition's communications and public outreach capabilities. We are also exploring other means to maximize the Opposition's effectiveness against the Iraqi regime.

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QUESTIONS SUBMITTED BY SENATOR DIANNE FEINSTEIN

*Question.* Under a proposed general provision, subsection (2), up to \$150,000,000 would be made available for assistance to indigenous forces assisting U.S. military operations or activities relating to the global war on terrorism. These funds are proposed to be disbursed at the discretion of the Secretary of Defense, with concurrence of the Secretary of State.

Please define the term, indigenous forces.

Answer. "Indigenous forces" are irregular forces or resistance movements that act in concert with U.S. military forces during military operations and are indigenous to a particular region. These forces might conduct military and para-military operations in enemy held or hostile territory, as well as low-visibility operations that support the efforts of the U.S. military.

*Question.* What groups, today, would be eligible for assistance under the proposed definition?

Answer. The provision would apply to indigenous forces that assist U.S. forces in carrying out operations or activities, including those in furtherance of the war on terrorism.

We faced some unexpected challenges when working with the Northern Alliance in Afghanistan. This type of flexible authority would have been particularly helpful in supporting military operations with emerging and unanticipated requirements for the war on terrorism.

The provision would allow the DOD to sustain friendly indigenous forces through timely and flexible military assistance.

*Question.* What is the justification for quarterly reporting on the use of these funds, which are available until September 30, 2003?

Answer. The provision would allow the Department to provide support to foreign indigenous forces rapidly in order to address any emerging and unanticipated emergency requirements that the current security environment may generate.

To provide this temporary and emergency authority in a manner consistent with other U.S. assistance programs, quarterly reporting would be most efficient.

*Question.* Would notification within fifteen days of obligation be acceptable to the Department? If no, why?

Answer. The intent is to provide a flexible and immediate mechanism for the Department of Defense, in consult with the Department of State, to facilitate and support immediate U.S. military operations. The desire is not to create an overly burdensome reporting requirement for those in theater that might need to exercise this authority.

To ensure proper accounting and use of this authority, quarterly reporting should be sufficient. This distinct authority is designated to support foreign indigenous forces in response to emerging and unanticipated requirements that arise with increased frequency in the current wartime security environment.

*Question.* The President has requested \$1,400,000,000 in "no year" fiscal year 2003 supplemental funding for Operations & Maintenance, Defense Wide to be used, irrespective of any law, for payments to cooperating nations. Under the proposal, there is no obligation to consult with or notify the Congress of how or when the funds are disbursed. The receipts of these funds would be decided, under the proposal, at the discretion of the Secretary of Defense, with the concurrence of the Secretary of State and in consultation with the Director of the Office of Management and Budget.

What is the justification for requesting "no year" funds, when the Secretary testified that cooperating nations have been waiting months for reimbursement?

Answer. There are two primary reasons for requesting "no year" funds.

(1) While a portion (\$530 million) of the \$1.4 billion has been used to reimburse countries for services already provided, the remainder of the requested funds are for services we expect key cooperating countries to provide in the coming months.

(2) We review each reimbursement request using a careful set of processes developed by the Administration. This review process typically requires three-to-four weeks to complete.

We anticipate situations in which cooperating nations present requests for reimbursement to the U.S. government late in the fiscal year or even after the end of the year, and we will not have sufficient time to validate those bills before the end of the fiscal year prior to reimbursement.

No later than 30 days after the end of each fiscal quarter, the Secretary of Defense will submit a quarterly report to the Defense Oversight Committees of the details of any payments to cooperating nations.

*Question.* How was the \$1.4 billion figure determined?

*Answer.* The \$1.4 billion was determined based on known and anticipated support from key cooperating nations (e.g., Pakistan, Jordan) providing logistical and military support to U.S. military operations in Afghanistan and Iraq in connection with the global war on terrorism. This request includes \$1.3 billion for payments to coalition countries participating in or providing military, logistical, or other support for military operations in Afghanistan and \$0.1 billion for military operations in Iraq. Specifically, the \$1.4 billion is comprised of:

[In billions of dollars]

Reimbursements to Pakistan .....	1.16
Reimbursements to other nations .....	0.14
Funds to transport and sustain other nations .....	0.10
<b>Total .....</b>	<b>1.40</b>

The Department paid \$530.154 million to the Government of Pakistan from the Department's fiscal year 2003 O&M accounts. These payments covered reimbursable costs through December 2002. (The payment was made in early March using the Acquisition and Cross Servicing Agreement between the United States and Pakistan.) The anticipated Pakistani reimbursable costs for the balance of fiscal year 2003 total \$630 million (i.e., 9 months (January through September); average monthly cost is approximately \$70 million).

We anticipate aggregate payments totaling \$140 million to Jordan, Bahrain, Oman, Yemen, Djibouti, Turkey, and Uzbekistan for services and support from those countries.

The Supplemental request also includes \$100 million to finance the movement and sustainment of coalition partners who are assisting U.S. military forces by providing Nuclear, Biological and Chemical/Consequence Management assets. These U.S. resources will be used for coalition partners that have volunteered support to the Armed Forces of the United States in connection with military action in Iraq, but need U.S. funding for their transportation and sustainment once in the theater.

*Question.* If the request is granted, will the Department notify the Committees of the funds obligation? If so, in what timeframe and what level of detail?

*Answer.* No later than 30 days after the end of each fiscal quarter, the Secretary of Defense will submit a quarterly report to the Defense Oversight Committees of the details of any transfer of funds from the Defense Emergency Response Fund (DERF) to the DOD's normal appropriation accounts for execution. The report will include execution data by appropriation and cost category.

#### QUESTIONS SUBMITTED BY SENATOR MARY L. LANDRIEU

##### MILITARY ASSISTANCE FROM ALLIES

*Question.* Mr. Secretary, the President's submission calls for \$1.4 million assistance to our allies, largely for operations in Afghanistan. Can you help contrast the sort of on-the-ground support that we are receiving from our allies in Afghanistan with the support received in Iraq? Are there countries that would have ground troops in Iraq, but for the fact that they are stretched to provide assistance in Afghanistan and Bosnia? Are you working to find more support in these operations to relieve U.S. troops for operations in Iraq?

*Answer.* When discussing our coalitions for Operation Enduring Freedom or Operation Iraqi Freedom, the Department of Defense has been guided by three principles: (1) We let all countries describe their participation as they see fit; (2) We do

not identify a particular country's contributions; that is for the contributor itself to do; and (3) We do not grade our coalition partner's contributions.

With those three principles in mind, the United States has received strong, across the board, political and military support from its coalition partners for each operation. Seventy countries are a part of the Operation Enduring Freedom coalition. Today nearly 50 countries make up the Operation Iraqi Freedom coalition and that number grows every day. In each instance the contributions cut across all elements of military forces—naval, ground, air, special operations, intelligence-sharing, etc.

The United States is now beginning to work intensively with allies to determine troop contributions to Phase IV stabilization operations in Iraq. We are unaware of any countries with troops deployed in Afghanistan or Bosnia that have raised the demands of these deployments as a reason that they could not provide ground troops in Iraq. We are not seeking Coalition support in Afghanistan in order to relieve U.S. troops for operations in Iraq. Coalition support for our operations in both countries remains an important goal. We remain committed to maintaining an adequate U.S. military force to accomplish our missions in Afghanistan and in other contingencies in the war on terrorism, including Iraq. The one is compatible with the other. Success in Afghanistan will assist our efforts in Iraq. We expect Coalition partners will be particularly valuable as we expand our Provincial Reconstruction Teams in Afghanistan.

With regard to U.S. participation in the NATO-led Stabilization Force (SFOR) in Bosnia, the National Guard now has the mission, thereby freeing up active component troops for other purposes. To date, CENTCOM and EUCOM have not identified an Iraq-related requirement that would necessitate use of any of our reserve component troops in Bosnia.

#### COLOMBIA

*Question.* Mr. Secretary, the President's request seeks another \$68 million—\$34 million for the Department of Defense—to increase the quote "operational tempo" of our activities in Colombia. (1) Can you explain why we would willingly seek to increase our activity in Colombia with our commitments in Iraq, Afghanistan, the Philippines, and looming crises in Iran and North Korea? (2) How many Special Forces Units do we have deployed to Southern Command as a result of Plan Colombia? (3) What are the expected results from additional operational tempo in this area?

*Answer.* (1) We must increase assistance to Colombia in order to support Bogota's efforts against narcoterrorists and as part of the Global War on Terrorism. We seek to provide a surge of training and equipment to Colombian military and police forces. The United States will remain in a supporting role.

Colombia is waging its own war, by destroying or weakening the narco-terrorist organizations, illegal armed groups, and narcotics trafficking organizations' ability to undermine Colombia's democracy and national security. The Government of Colombia urgently needs U.S. support to improve its counternarcoterrorism capabilities. With the momentum provided by the election of President Uribe, there may be a short window of opportunity to significantly impact narcoterrorist organizations operating in Colombia.

Currently, the greatest threat comes from the Revolutionary Armed Forces of Colombia (FARC), which has become more aggressive in targeting both Colombian and U.S. interests. Within the last year, the FARC attempted a mortar barrage during the presidential inauguration, bombed a club in Bogota, and killed a U.S. contractor. The FARC still holds captive three other U.S. contractors.

(2) There are Special Forces personnel deployed to Southern Command in support of Plan Colombia. While the exact numbers and locations are classified, the deployed Special Forces personnel represent elements of the following units: 7th Special Forces Group, 1st Psychological Operations Battalion, 350th Civil Affairs Command, and Navy Special Warfare Unit Four.

(3) By providing more training and equipment, we are assisting Colombia with the essential ingredients necessary to improve Colombia's capabilities to regain control and assert legitimate authority over its territory, establish the rule of law throughout the country, and defeat narco-terrorist organizations, other illegal armed groups, and narcotics trafficking organizations. Success here is necessary for Colombia to reduce the flow of illegal drugs to the United States.

We cannot stand by while one of the oldest democracies in Latin America—only three hours flying time from Miami—succumbs to an insurgency fueled by illegal drug profits. Therefore, we are committed to helping Colombia in its fight against narcoterrorism by providing robust assistance, as outlined in National Security

Presidential Directive/NSPD-18. Even with this assistance, it remains Colombia's fight and the Colombians themselves must maintain the lead in the struggle.

#### OIL FIRE FIGHTING

*Question.* Mr. Secretary, you have requested nearly a half of billion to fight fires and repair damaged oil facilities in Iraq. Given a relative few numbers of wells are actually burning, where does this cost estimate come from? Can you contrast this figure with what was spent to contain fires in Kuwait during the first Gulf War? Why does this require an immediate appropriation? Why will fire fighting not come from oil once Iraq is liberated?

*Answer.* There are about 1,500 oil wells in Iraq, spread among approximately 22 oil fields. There is no way to predict accurately the level of damage to Iraq's oil infrastructure, nor the impact of any such damage on the average Iraqi household. We hope that this conflict does not result in the large number of oil well fires that Saddam's forces set during the 1990-91 Gulf War.

The Administration's request is comprised of two parts: (1) a precise amount for repositioning firefighting equipment in the theater (\$39.3 million), and (2) an additional \$450 million to be available for either fighting fires and repairing damaged fuel distribution infrastructure, or ensuring that the Iraqi people have adequate supplies of fuel for cooking, heating, and other household requirements.

Iraq's oil belongs to the Iraqi people. The international community, working with the people of Iraq, will determine the best use of oil revenues and the appropriate time to apply those resources to specific sectors.

#### BUY AMERICAN

*Question.* Mr. Secretary, there is \$48 million for MILCON at Guantanamo Bay, and \$129 million for runway work at Diego Garcia in this request. I am concerned by reports that I have heard that while contracting from construction like that at Guantanamo Bay is given to U.S. companies, the actual manufacturing work is done abroad. What assurances can you give this committee that future work will not only be American contracted, but will contain American content?

*Answer.* We intend to follow the Buy American Act to the maximum extent practicable. In Guantanamo Bay, the following requirement will be in the final construction task orders: "Materials and workmanship shall conform to applicable U.S. codes and standards. You are required to use U.S. materials to the maximum extent possible. Any exceptions must be approved by the Contracting Officer."

Similar provisions exist in Diego Garcia, where the work is required to be performed by joint ventures between United States and British companies. However, of the \$129.4 million requested for Air Force military construction, there is only \$3.2 million for an explosive ordinance pad at Diego Garcia. The remainder of the \$129.4 million is for Air Force projects at other locations. Classified details on the other projects have been provided to the congressional staff. All contracts will follow the Buy American Act to the maximum extent possible.

#### GUARD AND RESERVE PROCUREMENT

*Question.* Mr. Secretary, the President's request includes \$1.1 billion for procurement and RDT&E with virtually no detail or indication of what we might be buying. Can you clarify your intentions for these dollars. How much of this one billion will be slated to support the procurement and transformational needs of the Guard and Reserve?

*Answer.* All of the \$1.1 billion of procurement and research and development funding included in the supplemental request will go to the direct support of the increased operational tempo of military operations in Iraq. None of the funding is slated for the procurement and transformational needs of either the Guard and Reserve nor the Active Component. The President's fiscal year 2004 budget request now before the Congress includes \$1.9 billion specifically earmarked for Guard and Reserve modernization.

A more detailed listing of the \$1.1 billion in the supplemental request is as follows:

##### *Procurement*

In addition to the munitions request of \$3,700.0 million, the supplemental request includes \$992.6 million for the procurement items listed below.

##### *Combat Losses—\$57.0 million*

Additional funds are required to replace 10 lost Predators and support equipment that must be available for future military operations.

*Classified Programs—\$27.0 million*

Additional funds are required for classified programs. Classified details can be provided separately.

*Special Access Programs—\$17.1 million**Satcom Terminals—\$6.6 million*

This effort funds a classified CENTCOM requirement. It includes the procurement of such things as modems, converters, support, and accelerated delivery.

*Centrix-Griffin Eqpt.—\$2.0 million*

This effort funds the procurement of computer network equipment.

*SIPR & NIPRNET—\$1.3 million*

This effort funds the procurement of equipment to allow deployed teams to transmit data, video, and photos from the field to other CENTCOM facilities.

*Combat Support Equipment—\$26.1 million*

Additional funds are required to procure and field mission essential equipment for combat forces including laser pointer systems for weapons, advanced gun sights, and mobility and lethality equipment.

*Spare and Repair Parts—\$148.8 million*

Additional funds are required to accommodate a greater demand for spares and repair parts resulting from increased operations.

*Command and Control Requirements—\$11.7 million*

Additional funds are required for command and control equipment to conduct Phase IV planning (occupation phase) or for a conflict. Funding is also required to support the Commander, Third Fleet setting up station ashore when his command ship is deployed to support global war on terrorism operations.

*Weapons Systems Enhancements—\$94.6 million*

Funds are required to procure: permanent interior and external Night Vision Imaging Systems (NVIS); laser targeting devices for Special Operations Forces; and weapons and ammunition for Special Operations Forces (SOF).

*Communications and Sensor Equipment—\$62.5 million*

Additional funds are required to procure Advanced Remote Ground Unattended Sensors (ARGUS) and the associated ground station, to support around-the-clock combat operations for the Distributed Common Ground System (DCGS) rather than peacetime operating tempo; to install a new trunk-based repeater system at Incirlik Air Force Base that allows more land-mobile radios to function on the network; to provide improved Intelligence, Surveillance, Reconnaissance (ISR) capability at the alternative air operations center in theater; to procure equipment and crypto devices necessary to provide increased bandwidth to Global Broadcast System (GBS) receive suites; to upgrade the satellite communication facility at Al Udeid Air Base, Qatar; to procure one backup mobile satellite reception and broadcasting system; and to provide forces searching for weapons of mass destruction with critical real-time "reach-back" voice/data/imagery transmission capabilities. Further, funds are also required to procure deployable Tactical Local Area Network (TACLAN) suites to satisfy the requirement for reliable, accessible, and secure Command, Control, Communications, and Computers (C<sup>4</sup>I) in an austere environment; and to procure equipment for the Information Decision Management (IDM) Replication of Information Management Center (IMC).

*Logistics Support—\$135.6 million*

Additional funds are required for Base Expeditionary Airfield Resources to support beddown of deployed forces where infrastructure is inadequate (Harvest Falcon and Harvest Eagle), including collapsible fuel bladders, cargo pallets, and nets. Further, funds are also required for movement of newly procured items to first point of storage/usage.

*Phrase Translators—\$1.0 million*

Additional funds are to procure devices to automatically translate key phrases in multiple foreign languages. These devices could be used to support Special Operations forces in Iraq.

*Critical Psychological Operation (PSYOP) Requirements—\$14.9 million*

Additional funds are required to procure Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance (C<sup>4</sup>ISR) equipment that

will be fielded to provide joint PSYOP Task Force Commanders access to denied areas. The PSYOP provides the vehicle to send the coalition messages to the people of Iraq and Iraqi military forces, to encourage their cooperation, and to dissuade Iraqi military personnel from armed resistance to coalition forces. This includes dropping leaflets, radio broadcasts, and other contacts with sympathetic groups within Iraq to present the coalition message.

*Joint Operational Stocks (JOS)—\$17.3 million*

Additional funds are required to cover attrition rates for Special Operation Forces weapon, night vision and optic, and communications systems.

*Biological Agent Detection—\$5.7 million*

Increased funding will procure seven biological detectors to provide the capability to cover one additional forward based installation with a biological detection capability.

*Collective Protection—\$5.9 million*

This funding would be used to procure collective protection shelters for deployed forces.

*Decontamination—\$49.6 million*

Additional funding is required to procure equipment essential for decontamination efforts. Funds include procurement of commercial off-the-shelf decontamination apparatus for fixed site and large area terrain decontamination, and a commercial decontaminant foam to address inventory shortfalls.

*Skin Exposure Reduction Paste—\$5.3 million*

Additional funds are required to procure units of the skin exposure reduction paste against chemical warfare agents.

*Individual Protection—\$213.0 million*

Additional funding is required to increase the personal protection of U.S. forces from chemical and biological threats by procuring protective suits.

*Chemical Agent Detection—\$2.1 million*

Increased resources will be used to procure additional Mobile Chemical Agent Detectors for use by forces performing the mission of determining whether weapons of mass destruction are present.

*Surface Sampler Probe—\$1.4 million*

Additional funding is required to procure equipment that will enable forces to determine the presence of hazardous materials, chemical, or biological agents.

*White House Communications—\$105.7 million*

The Department will use the funds to accelerate deployment of converged fixed and deployable networks, and implementation of next-generation communications systems to modernize the current deteriorating equipment before operational failure. The funding will purchase the following capabilities:

Fixed Transport—i.e., Wide Area Network (WAN) (\$3 million) and fixed converged network (\$12 million).

Fixed Voice Services—i.e., Royal Crown Secure Voice Modernization (\$33 million), Secure Digital Switch Modernization (\$3 million), and Washington Area Systems (WAS) (\$14.85 million).

Fixed Operations—i.e., Technical Control Facility (\$5 million).

Mobile Communications Systems—i.e., Mobile Command and Control (C<sup>2</sup>) Package (\$10.85 million) and Limousine Communications Package (\$4 million).

Mobile Information Services—i.e., Secure Mobile Phone (\$4 million), Independent Cellular System (\$4 million), and Trip Site Convergence Network (\$3 million).

VC-25 Presidential Data Systems—(\$9 million)—i.e., provides a record management system, an automatic switching capability, and provides a capability to monitor the audio system for the President.

*Homeland Air Security—\$7.4 million*

Additional funding is required for procurement of command, control, and communications equipment for use in the United States to improve the DOD response time to an emergency situation. This funding will upgrade existing equipment to enable quicker response time to alerts issued by the Federal Aviation Administration (FAA). Hardware to be procured includes communications terminals, dedicated computer systems, and radar operator stations.



*Research, Development, Test and Evaluation*

This supplemental request includes \$57.6 million for various research, development, test and evaluation (RDT&E) requirements, such as improving targeting capabilities, testing chemical biological efforts, and supporting classified programs.

*Classified Programs—\$30.2 million*

Additional funds are required for classified programs.

Hairy Buffalo—Enhanced targeting effort—\$0.6 million  
 Defense Satellite Reconnaissance Program—\$5.8 million  
 Oil Analysis—\$0.3 million  
 Special Access Programs—\$23.5 million

*Personnel Support Teams—\$2.4 million*

Funds are required to allow Personnel Support Teams (PST) to provide analysis, interrogations, and technical assistance to local host military personnel. Each of the eight PST will provide technical and administrative assistance within a regional geographic jurisdiction, and serve as the principal link between U.S. military forces and local regional government officials. In addition, the PST will facilitate the exchange of information in the region with regards to military and political developments. The funds will finance the development of software tools to facilitate this mission, and employment of local hires and contractor personnel who are fluent in Farsi.

*Force Protection Condition Delta—\$0.4 million*

Additional funds are required to maintain a higher Force Protection Condition (FPCON) at Navy RDT&E facilities worldwide.

*Global Broadcast System—\$0.3 million*

Additional funds are required to increase bandwidth capacity on the global broadcast system.

*Decontamination—\$5.0 million*

This funding supports the rapid operational testing of non-developmental commercial off-the-shelf decontamination apparatus for fixed site and large area terrain decontamination.

*Chemical Agent Detection—\$4.8 million*

Increased resources will be used to quickly modify and test modifications to the currently fielded chemical agent detection equipment to identify Fourth Generation Agents.

*Radio Frequency Identification Technology (RFID)—\$3.9 million*

The funds will be used to develop RFID as a means to identify, categorize, and locate logistical material (e.g., sustainment and deploying force cargo) automatically.

*Weapons of Mass Destruction Release Assess System—\$10.6 million*

Additional funds are required for the modification of unmanned aerial vehicles to assist in the detection and identification of weapons of mass destruction.

## CONCLUSION OF HEARING

Senator COCHRAN. So, with no other Senators here, if it is satisfactory with the committee, we will stand in recess. And we appreciate your cooperation with the Appropriations Committee. We continue to wish you good luck in carrying out your duties and your important responsibilities.

Secretary RIDGE. Thank you, Senator. Senators, thank you very much.

Senator COCHRAN. We stand in recess.

[Whereupon, at 4:20 p.m., Thursday, March 27, the hearing was concluded, and the committee was recessed, to reconvene subject to the call of the Chair.]